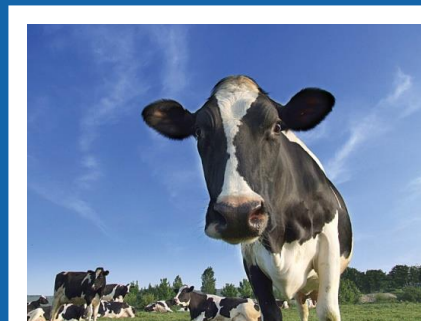


Life Sciences Ontario Annual Report 2013





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Message from the President and Chair



Life Sciences Ontario strives to provide thought leadership and to position life sciences as a sector for economic growth and social benefits through advocacy for programs and policies that encourage commercial success

In my second year as President and Chair I am pleased to report that LSO continues to grow and provide value to our members as the voice for Ontario's life sciences sector.

I will begin by thanking our Board, Jason Field our Executive Director, our staff at First Stage Enterprises, and all of our members, sponsors and volunteers for their support and commitment to LSO over the past year. As a fully member-funded organization, LSO's success is dependent on the financial contributions of our membership and the efforts of our many volunteers.

This was a milestone year in the evolution of LSO. On January 1, we launched our new website with a number of resources and tools for the life sciences community. The new website includes new features such as an interactive life sciences asset map and a community events calendar.

LSO remains a powerful voice for Ontario's life sciences sector. In collaboration with Biopolis-Quebec, LSO developed two joint position papers to the Federal government. We worked with the Province of Ontario to represent Ontario's life sciences sector at the BIO International Convention in Chicago, working with the Province of Ontario. Our Fall Symposium "Catalyzing Collisions and Clusters" brought international speakers from leading jurisdictions to discuss global leadership in life sciences.

LSO strives to provide thought leadership and to position life sciences as a strategic sector for economic growth and social benefits through advocacy for programs and policies that encourage commercial success.

The LSO Board of Directors held a strategic planning session for 2014, where the group revised LSO's vision and mission statements, created a set of organizational values and refocused key strategic priorities. We will continue to deliver effective educational, networking and professional development opportunities for our members, and represent Ontario's diverse life sciences sector in a sustainable manner.

LSO is committed to bringing value to all our members including companies big and small, individuals and students, institutes and researchers. Together we are the voice of life sciences in Ontario.

Paul Lucas,
President & Chair, Life Sciences Ontario

Message from the Executive Director

LSO continued to be a strong voice for Ontario's life sciences sector in 2013 through events and initiatives that showcased the vibrant science and business activity across the province.

LSO's high-quality education and networking programs offer great value by providing members with opportunities to learn and build new connections, leading to new business partnerships and employment opportunities. Over the past year, our breakfast meetings, pub nights, Fall Symposium, Awards Gala and other events have increased in attendance and quality. LSO's mentorship program continues to deliver value offering one-on-one and group professional development to young life sciences professionals and entrepreneurs through two program streams.

In addition to developing two joint position papers with Biopolis-Quebec, LSO's Policy and Government Relations Committee developed a comprehensive outreach plan to educate policymakers on the social and economic importance of Ontario's life sciences industry. Issues such as access to capital and strategic procurement remain top priorities. LSO also sponsored BioTalent Canada's Labour Market Information Study, which identifies market needs within the life sciences sector to address the growing issue of unemployment among young science graduates.

With the launch of our new website, our communications have improved dramatically, and our social media presence continues to grow. The site has been an effective tool to communicate LSO's activities to our members. The new events calendar, newsfeed and life sciences asset map attract visitors looking for single-site solution to stay connected to Ontario's life sciences sector.

Once again we led Ontario's industry presence at the 2013 BIO International Convention in Chicago, hosting a pre-BIO kick-off event, creating an online partnering directory for Ontario delegates and promoting the sector at our dedicated LSO booth in the Ontario pavilion.

Our membership continues to grow, but as it does so does our need to expand our programs and value proposition for members. LSO is the only provincial industry association that represents the diverse life sciences sector in Ontario, including human health, agri-food and industrial biotechnology. We do this by focusing on collaboration and by bringing stakeholders together to tackle common challenges. I want to sincerely thank all of our members, sponsors and volunteers for supporting LSO. More than ever, we need the continued support of our members, sponsors and volunteers as we work to strengthen life sciences in Ontario.



Life Sciences Ontario's high-quality education and networking programs offer great value by providing members with opportunities to learn and build new connections, leading to new business partnerships and employment opportunities.

Jason Field
Executive Director, Life Sciences Ontario

2013 Year in Review



Events



 33 LSO events throughout 2013, with over 1,500 registrations

Social Media



LSO – Life Sciences Ontario
1,739 members



@LifeSciencesON
323 followers
225 Tweets

Mentorship



 28 Mentor/Protégé Matches in 2013

 274 - Total matches since 2009

Advocacy



5 policy/research documents developed and sponsored

Members

110 individuals,
53 corporate,
30 partners



LSO members employ over 17,000 people in Ontario


LSO Website

www.lifesciencesontario.ca



Visits
16,675

Unique Visitors
9,738

 150 – number of events / news items posted on the LSO website

 2,000 unique visits to the Asset Map

Annual Awards Gala



On February 27, Life Sciences Ontario hosted the 12th Annual Awards Gala Dinner at the Liberty Grand. More than 370 professionals from all areas of the life sciences industry were in attendance. Once again Sanofi Pasteur and GlaxoSmithKline were presenting sponsors.

The evening began with a video welcome from Hon. Gary Goodyear, federal Minister of State (Science & Technology), followed by a keynote address from Hon. Kevin G. Lynch, Vice Chair of BMO Financial Group. We were also honoured to have Hon Reza Moridi, who made his first public remarks as the newly appointed Ontario Minister of Research and Innovation .

The Gala recognized the accomplishments of companies and individuals who have made outstanding contributions to Ontario's life sciences industry. The 2013 recipients included: Dr. Mark Poznansky, Lifetime Achievement Award; Dr. Ulrich Krull, Community Service Award; Magda Choruzy, LSO Volunteer Award; Maurice Bitran, Public Service Award; and EcoSynthetix, Life Sciences Company of the Year.

Proceeds from the silent auction supported Bioscience Education Canada & the Sanofi BioGENEius Challenge Canada.



Policy and Government Relations

Throughout 2013, the Policy and Government Relations committee developed a strategy to engage key decision makers, fine tune our messaging, increase our government relations capacity, and work with other LSO committees on strategic initiatives.

Taking our learnings from the comprehensive industry outreach done in 2012 as part of the Open for Business initiative, the committee has developed a briefing document that strives to represent the diversity of our members with one voice. The document highlights the many socioeconomic contributions of the life sciences sector and brings attention to key challenges facing the sector.

The committee also held a government relations 101 session with the LSO Board of Directors to better align messaging across the organization and to share best practices.

LSO also continued our work on the Ontario-Québec Alliance through our partnership with Biopolis-Québec by developing two joint policy papers to the federal government in support of the Canada-EU Comprehensive Economic and Trade Agreement (CETA) and reforms to the reporting of research expenditures by the Patented Medicines Prices Review Board (PMPRB).

Government relations played a prominent role in all LSO activities. In 2013 we leveraged the strength of our events to deliver our message, including our presence at the BIO International Convention in Chicago, the Fall Symposium, and Annual Awards Gala. LSO will continue to be thought leaders in areas of policy by representing the diversity of Ontario's life sciences sector through a strong, aligned and unified voice.



BIO International Convention



The BIO International Convention is the largest global biotech industry event, and attracts the biggest names in biotech, offers key networking and partnering opportunities, and provides insights into major industry trends. For the third consecutive year, LSO worked with the Province of Ontario to help lead Ontario's life sciences industry representation at this important event.

During BIO 2013, Life Sciences Ontario representatives accompanied Hon. Reza Moridi, Minister of Research and Innovation, on a tour of the Illinois medical district, and facilitated meetings between companies, potential partners, and key government decision makers from international, federal, provincial and municipal governments.

LSO held two events in advance of BIO 2013: a LSO Knowledge and Networking Breakfast with the State of Illinois, and a BIO 2013 Kick-Off showcasing Ontario's plans and seeking industry input and participation in key initiatives.

In addition to hosting a booth in the Ontario pavilion, LSO developed an interactive electronic directory of Ontario delegates to facilitate lead generation at the Ontario pavilion, and created a promotional video profiling Ontario's life sciences sector which was streamed during the exhibition.

LSO's contribution to BIO 2013 was well-received. Both pre-BIO events had a 83% satisfaction rating from participants and 90% of those surveyed saw value in LSO's presence at BIO 2013.

Communications

In 2013, LSO devoted considerable resources to strengthening our communications capacity.

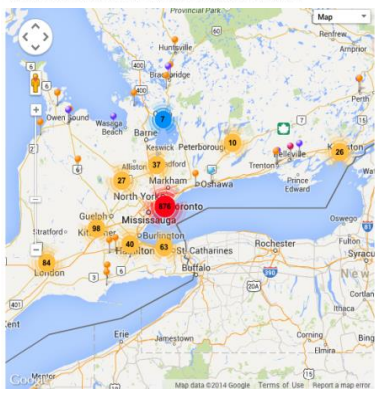
LSO unveiled its new website on January 1st, 2013. This site is a great resource for Ontario's life sciences community, and includes an asset map with company and licensing information, an enhanced events calendar, and a member section. This robust new site attracted close to 10,000 unique visitors throughout the year.

To facilitate better communication with our membership, LSO launched a newsletter called "The Voice", and integrated social media into events and activities. As a result of our social media strategy and other outreach initiatives, website traffic from Twitter and LinkedIn doubled from the first to the second half of 2013.

LSO's Communications activities were also bolstered through media partnerships with *Biotechnology Focus*, *Bio Business*, and Contact Canada®

Ontario Life Sciences Asset Map

Welcome to the Ontario Life Sciences Asset Map, an interactive directory and information platform for Life Sciences organizations from across the province. To access the database, enter your search parameters below or select "map search" for a geographical interface.



LifeSciencesOntario @LifeSciencesON - Aug 14
LSO president Paul Lucas and Iso volunteer of the year Magda Chorusy
pic.twitter.com/F7xLh82YQm



Expand Reply Retweet Favorites More

Retweeted by LifeSciencesOntario
alexgill @alexgill - Dec 11
Speaking @LifeSciencesON fall symposium today @citymississauga abt clusters and Cleantech pic.twitter.com/jjQAs3PXs



Knowledge and Networking Breakfasts



LSO Knowledge and Networking Breakfast meetings provide members with information about a variety of topics relevant to the life sciences industry, while providing valuable networking opportunities. Breakfast sessions have been an integral part of LSO since the organizations was founded in 1989.

In 2013, LSO hosted 10 meetings, attended by an average of 50 people per event. The committee has made a concerted effort to plan speakers, topics, venues and marketing around relevant events, and areas of interest.

Knowledge and Networking breakfasts covered a variety of topics including the BIO 2013 International Convention, new funding models in agricultural life sciences, the convergence of health and information technologies, nutrition and Life Sciences, water technologies, youth employment, building a medical device company, the launch of National Biotechnology Week, and two member marathons, which highlight LSO member companies.

Breakfast meetings are subsidized by membership and sponsorship. In order to ensure high-quality events and sustainability, a nominal fee was adopted for for the breakfast sessions in 2013. Overall, this approach was well received and attendance at our breakfast events in 2013 has increased throughout the year.

Fall Symposium



December's Fall Symposium, "Catalyzing Collisions and Clusters", highlighted opportunities for stakeholders across Ontario's diverse life sciences sector to work together to strengthen the cluster.

Ontario has a number of strengths, including strong science, a culture of innovation, a highly educated workforce and openness to collaboration. The symposium discussed the challenges Ontario faces to becoming a world-leading life sciences cluster, exploring the successes of other leading clusters who have achieved success by working together to combat traditional industry market segments and developing public-private partnerships.

This year the symposium featured speakers representing a range of sectors and positions in the innovation lifecycle. For the first time, a panel of private and public sector representatives discussed the alignment or conflict between public policy and life sciences business development.

The symposium offered insight into policy solutions for Ontario and best practices from other jurisdictions to support the commercial success of innovative life sciences companies.



Mentorship



Mentorship is an essential part of professional development. LSO's Mentorship committee continued to support Ontario's vibrant life sciences community through its entrepreneurship and professional development programs.

The entrepreneurship program held three peer-to-peer roundtable events in 2013. These events provided participants with an opportunity to learn from prominent Ontario subject matter experts and experienced entrepreneurs. Topics included: managing business partnerships, navigating the regulatory environment for drugs and devices, and market access and reimbursement.

This year, the professional development mentorship program made 28 matches between mentors and protégés, bringing the program total to 274 matches since its launch in 2009. To facilitate networking and professional development, the group held two "Meet & Mingle" events during the year.

The committee also undertook two significant initiatives to support its new mandates and strategic direction. The committee evaluated content on LSO's website, developing a common template with program descriptions, a value proposition and testimonials. The committee is also evaluating funding opportunities that could help to expand the current peer-to-peer entrepreneurship program across Ontario, and provide better support for life science entrepreneurs through education and resources.



Networking Pub Nights

Networking Pub Nights provide LSO members with opportunities to meet other members of the industry in a social setting. Building on the success of 2012, LSO hosted 10 Pub Nights in 2013 which have grown to an average of 50 attendees per event, with some nights reaching more than 100 participants.

To expand the reach of these events, the Pub Night committee leveraged existing events and partnered with other life sciences organizations. Many of the Pub Nights this year were held following LSO board meetings, to facilitate interactions between members and the board.

Partnerships included an event in Richmond Hill after the ventureLAB MedEdge Summit, a July patio pub event and another event in London with the Centre for Imaging Technology Commercialization (CIMTEC), and three simultaneous events in Ottawa, Toronto, and Hamilton in collaboration with the Canadian Science Policy Conference (CSPC). In addition to increasing networking opportunities for members, these events are now held across the province, increasing LSO's visibility.

October marked our move to a new Toronto venue at Marché as they host us on their indoor patio in the atrium of Brookfield Place.



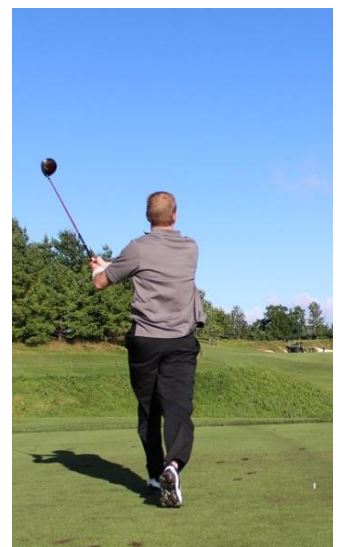
Golf Classic



Held on a beautiful day in August at Copper Creek Golf Course, LSO's 12th annual Golf Classic was a tremendous success. The fun-filled event was an excellent opportunity for networking while raising funds to support LSO's mandate.

LSO was honoured to have guest speaker Ron Ellis, former Toronto Maple Leaf, Canada '72 Summit Series player, and Vice President of Public Relations at United Paragon Associates.

Thanks to our generous sponsors and guests, LSO had a number of contest holes including: "Score with Ron Ellis", "Beat the Pro" sponsored by McMaster Innovation Park, "Beat the LSO President" with Paul Lucas, "Beat the Broker" sponsored by Louis Parisio, RBC Dominion Securities, and a Fan Favourite the "Fastest Hole" sponsored by Fasken Martineau DuMoulin. Many organizations and companies donated items for goodie bags, raffle, and our silent auction in support of Bioscience Education Canada.



About LSO

Vision

Diversity of Members, Unity of Voice

Our vision is a vibrant life sciences sector in Ontario that speaks with a unified voice to create an environment that fosters collaboration, innovation and commercial success.

Mission

Our mission, as the voice of the life sciences community across Ontario, is to foster commercial success for the sector through advocacy, education and the promotion of the industry locally, nationally and internationally.

Values

Collaboration
An aligned, unified voice
Science and evidence-based decisions
Inclusivity, consultation and consensus
Equally the social and economic benefits of life sciences



Board of Directors

Executives & Officers



Paul Lucas
President & Chair



Matt Buist
Vice-Chair
Manager, Toronto Economic
Development



John Kelly
Vice-Chair
Chief Executive Officer,
KeliRo Company Inc.



Jeff Graham
Secretary
Partner, Borden Ladner
Gervais LLP



Mario Piccinin
Treasurer
Partner, Ernst & Young LLP

Directors



David Allan
Chairman, AvidBiologics



Paul Dick
President, Paul Dick &
Associates



Denis Ferkany
Director Corporate Strategy,
International Consortium on
Anti-Virals



Raphael Hofstein
President & CEO, MaRS
Innovation



Jason Locklin
Director, Government, Public
& Community Relations,
Bombardier Aerospace



Graeme McRae
Founder & Chairman
Emeritus, Bioniche Life
Sciences Inc.



Janet Northan
Director, Government
Relations, Thunder Bay
Regional Research Institute



Allan O'Dette
President & CEO, Ontario
Chamber of Commerce



Jayson Parker
Academic Director, Biotech
Bridging Program,
University of Toronto



Dale Patterson
President, The Bourton
Group



Benjamin Rovinski
Managing Director, Lumira
Capital



Mark Smithyes
Head, Government Affairs
and Market Access, Alcon
Canada Inc



Alison Symington
VP, Corporate Development
and Communications,
Ontario Genomics Institute



Nancy Tout
Head, Regulatory and
Biological Assessment,
Syngenta Canada Inc.



Pat Van Gelder
Head of Sales & Marketing,
Sanofi Pasteur Limited



Thomas Wellner
President, WellCap Advisors
Former President & CEO,
CML HealthCare



Bernard West
President, Ontario BioAuto
Council



Russell Williams
President, Rx & D

Members and Partners



Platinum



Silver



Committee Members

LSO Would like to thank our Board of Directors, our many volunteer members and Partners, and the staff at First Stage Enterprises for all their many contributions to LSO in 2013

Executive Committee

Jason Locklin
Mark Smithyes
John Kelly
Matt Buist
Paul Lucas
Rafi Hofstein
Jason Field

Golf Committee

John Goudey (Co-Chair)
Matt Buist (Co-Chair)
Jason Field
Kevin French
Ron Hosking
John Kelly
Bruno Maruzzo
Kerry Mui
Louis Parisio
Sue Munro
Brian Craig

Fall Symposium Committee

John Kelly (Chair)
Matt Buist
Jason Field
Jayson Parker
Benjamin Rovinski
Sue Munro
Brian Craig

Gala Committee

Jason Locklin (Chair)
Christine Beyaert
Matt Buist
Magda Choruzy
Jason Field
Howard Gaskin
David Greb
Bonnie Kuehl
Dale Patterson
Rhowan Sivel
Mark Smithyes
Alison Symington
Sue Munro
Tyler Dalton
Brian Craig

Membership Committee

Paul Lucas (Chair)
Matt Buist
Jason Field
John Kelly
Jayson Parker
Mark Smithyes
Nancy Tout
Russell Williams
Sue Munro
Tyler Dalton

Pub Night Committee

Andrew Yoshioka (Chair)
Luca Pisterzi

Policy and Government Relations Committee

Jason Locklin (Co-Chair)
Mark Smithyes (Co-Chair)
David Allan
Paul De Zara
Jason Field
Iris Fung
Jeff Graham
Rafi Hofstein
Pamela Kanellis
Debbie Knifton
Janet Northan
Allan O'Dette
Derek O'Toole
Dale Patterson
Kimberly Robinson
James Smith
Ron Soreanu
Mark Sukhoo
Alison Symington
Bernard West
Sue Munro
Tyler Dalton

Breakfast Committee

Alison Symington (Chair)
Christine Beyaert
Jason Field
Tracy Hooey
Milos Milic
Janet Northan
Sue Munro
Brian Craig

Mentorship Committee

Doreen D'Souza (Co-Chair)
Pat Van Gelder (Co-Chair)
Rym Benabid
Aqeela Bhatti
Andrew Boston
Amine Boudil
Andrew Defor
Jason Field
Darina Frieder
Ingrid Fung
Janet LeClair
Richard Narayansingh
Brenda Osler
Samantha Reid
Jas Saggar
Sue Munro
Brian Craig

Communications Committee

Denis Ferkany (Chair)
Yunghan Au
Christine Beyaert
Richard Cheung
Jason Field
Iris Fung
David Greb
Tracy Hooey
Kevin McCarthy
Janet Northan
Jayson Parker
Mark Penner
Sue Munro
Brian Craig
Tyler Dalton

LIFE SCIENCES ONTARIO

FINANCIAL STATEMENTS

December 31, 2013

LIFE SCIENCES ONTARIO

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INDEPENDENT AUDITORS' REPORT

To the Members and board of directors of
Life Sciences Ontario:

We have audited the accompanying financial statements of Life Sciences Ontario which comprise the statement of financial position as at December 31, 2013 and the statements of operations and changes in net assets and cash flows for the year then ended, and the related notes including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Life Sciences Ontario as at December 31, 2013 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.

RENAUD RUTLAND CHARTERED ACCOUNTANTS, LICENSED PUBLIC ACCOUNTANTS

Whitby Ontario
March 24, 2014

LIFE SCIENCES ONTARIO

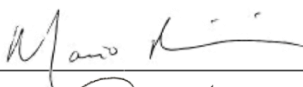
STATEMENT OF FINANCIAL POSITION

As at December 31	2013	2012
	\$	\$
ASSETS		
Current		
Cash	59,104	122,557
Accounts receivable	35,242	14,994
HST receivable	51,473	24,622
Prepaid expenses	2,414	32,767
	148,233	194,940
Fixed		
Fixed Assets (Note 3)	1,557	2,407
	149,790	197,347


LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accrued liabilities	58,253	80,770
Government remittances payable	-	5,162
Deferred membership revenue	8,470	54,907
	66,723	140,839
Net assets	83,067	56,508
	149,790	197,347

APPROVED ON BEHALF OF THE BOARD:

 Treasurer

 Director

 Director

The accompanying notes are an integral part of these financial statements
Page 1.

LIFE SCIENCES ONTARIO

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31	2013	2012
	\$	\$
Revenue		
Membership and sponsorship	208,664	156,175
Special events and meetings (Schedule)	254,683	245,681
Varied (note 6)	37,447	1,634
Government of Ontario support (note 5)	-	190,821
	500,794	594,311
Expenses		
Office, general and projects (notes 5, 6)	284,401	385,770
Special events and meetings (Schedule)	151,634	143,184
Industry associations	13,301	10,886
Education awards and programs	10,000	15,066
Bank charges	9,795	9,708
Communications	4,254	30,471
Depreciation	850	425
Bad Debt - write offs	-	4,317
	474,235	599,827
Excess (deficiency) of revenue over expenses	26,559	(5,516)
Net assets, beginning of year	56,508	62,024
Net assets , end of year	83,067	56,508

The accompanying notes are an integral part of these financial statements

Page 2.

LIFE SCIENCES ONTARIO

STATEMENT OF CASH FLOWS

For the year ended December 31	2013	2012
	\$	\$
Cash was provided by (used for);		
Operations		
Excess (deficiency) of revenue over expenses	26,559	(5,516)
Charges to income not involving cash		
Amortization	850	425
	27,409	(5,091)
Net change in non-cash working capital relating to operations		
Accounts receivable	(20,248)	29,955
HST receivable	(26,851)	(12,544)
Prepaid expenses	30,353	7,705
Accounts payable and accrued liabilities	(22,517)	33,010
Government remittances payable	(5,162)	2,460
Deferred revenues	(46,437)	29,162
	(63,453)	84,657
Investing activities		
Additions to capital assets	-	(2,832)
(Decrease) increase in cash, during the year	(63,453)	81,825
Cash beginning of year	122,557	40,732
Cash, end of year	59,104	122,557

NOTES TO THE FINANCIAL STATEMENTS

December 31

1. ORGANIZATIONAL BACKGROUND

Life Sciences Ontario ("LSO") was incorporated on December 13, 1989 under the provisions of the Canada Corporations Act and commenced operations shortly thereafter.

LSO is a non-profit organization that represents and promotes the province's vibrant and diverse life sciences sector. LSO collaborates with governments, academia, industry and other life science organizations in Ontario, across Canada, and globally to promote and encourage commercial success throughout this diverse sector.

2. SIGNIFICANT ACCOUNTING POLICIES

Effective January 1, 2012, LSO adopted the new accounting framework: Accounting Standards for Not-for-Profit organizations (NFPO). The adoption of NFPO did not affect previously reported assets, liabilities and net surplus, and accordingly, no adjustments were recorded in the comparative financial statements for December 31, 2011.

Management has prepared these financial statements in accordance with Canadian generally accepted accounting principles consistently applied within reasonable limits of materiality and within the framework of the accounting policies described below.

Revenue Recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees and sponsorships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Capital Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization are provided on the following basis and rates designed to amortize the cost of the fixed assets over their estimated useful lives:

Computer	- 30% straight-line balance
----------	-----------------------------

NOTES TO THE FINANCIAL STATEMENTS**December 31**

3. CAPITAL ASSETS

	Cost	Accumulated Depreciation	Net 2013	Net 2012
	\$	\$	\$	\$
Computer	2,832	1,275	1,557	2,407

4. INCOME TAXES

The organization is a non-profit organization and, as such, is exempt from income and business taxes.

5. LIFE SCIENCES ONTARIO FUNDING AGREEMENT WITH THE PROVINCE OF ONTARIO

On September 7th, 2011, the Ontario Ministry of Research and Innovation entered into an agreement with Life Sciences Ontario to help catalyze unity of voice on common life sciences issues through activities related to economic development and marketing. The agreement saw funds flow through specific milestone payments by the province through to the end of 2012. This Government of Ontario project earned revenues of \$190,821 and incurred corresponding expenditures of \$190,821.

NOTES TO THE FINANCIAL STATEMENTS

December 31

6. MISCELLANEOUS PROJECTS

The following projects were undertaken by LSO in 2013:

- Ontario/Québec Life Sciences Corridor Project
- BIO2012 Project

Revenues associated with these projects are reported as varied income, and associated expenses are included in office, general and projects expenses:

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The organization's financial instruments consist of cash, accounts receivable, HST receivable, prepaid expenses, accounts payable and accrued liabilities, government remittances and deferred membership revenues. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value, unless otherwise noted.

The organization's management is responsible for setting acceptable levels of risk and reviewing risk management activities.

Concentration of credit risk - There are no financial instruments which potentially subject the organization to credit risk.

Liquidity and cash flow risk - Management believes that the organization has no significant risk from liquidity or cash flow due to the organization having significant cash in hand and reasonable expectation of receiving sufficient revenue to enable the organization to meet its core needs for the next year.

SCHEDULES OF REVENUES AND EXPENSES

For the year ended December 31	2013	2012
	\$	\$
Revenues		
Special Events and Meetings		
Annual awards gala	132,243	127,720
Golf tournament	70,370	70,065
Fall event	37,770	38,300
Breakfast meetings	8,817	4,530
Silent auction	4,717	5,066
Pub nights & mentorship	766	-
	254,683	245,681
Expenses		
Special Events and Meetings		
Annual awards gala	68,157	61,860
Golf tournament	35,871	48,972
Fall event	16,815	22,786
Rx&D	15,870	-
Breakfast meetings	13,132	8,444
Pub nights & mentorship	1,789	1,122
	151,634	143,184



For more information on becoming a member please contact:

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109-1 Concorde Gate
Toronto, ON M3C 3N6
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