



# **Life Sciences Ontario Annual Report 2014**





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# President and CEO's Message



***Life Sciences Ontario continues to deliver high-quality education and networking programs while being a strong voice for the sector. Our collaborative approach and valued partnerships have set us apart; and will be the key to growing our sector in Ontario.***

2014 was another strong year for Life Sciences Ontario. Our membership continued to grow as we focused on delivering strong programs and thought leadership.

More companies and individuals are choosing to join LSO and participate in our programs, strengthening our collective action. In 2014, we issued several public statements in support of the Province's investments in innovation and closed the year with a well-attended life sciences policy forum. The event drew over 150 attendees with representation from 12 government entities at the national, provincial and municipal levels, including the Premier's Office.

Across LSO's wider slate of events, participation and interest continue to rise. Average attendance at our Knowledge and Networking Breakfasts was up 26 per cent from 2013, as was attendance at our Awards Gala. Approximately 400 senior leaders from across the life sciences sector, including both Minister Reza Moridi and Minister Deb Matthews, joined us for networking, dinner and the awards presentation. Our regular networking nights continue to enjoy considerable popularity with two events each attracting approximately 150 attendees to the informal, mid-week events. I'm also pleased to report that our annual golf tournament also sold out in record time.

So what's ahead for 2015? We are researching and publishing a Life Sciences Sector Report to provide baseline data regarding the sector's significant contributions to Ontario's economy. In an environment where evidence-based decision and policy making is the new standard, we need strong data to be effective advocates for the life sciences sector. But the report won't just benefit LSO. We envision it as a key reference document that will inform policy makers, bureaucrats and other life sciences organizations and advocates across Ontario's life sciences community. By the time you read this report, the Sector Report will be available on our website.

The Sector Report's carefully researched benchmarks give us a stronger, evidence-based advocacy message for the province about why it should deepen its recognition of life sciences as a strategic priority sector for Ontario's economy and future prosperity.

With your support, we'll continue to develop this valuable content to benefit our members and all life sciences stakeholders across Ontario.

Jason Field  
President & CEO, Life Sciences Ontario

# Chair's Message

LSO continued to grow as Ontario's voice for the life sciences sector throughout 2014. Beginning with our board of directors, we welcomed three new senior executives from the pharmaceutical, agri-food and bio-materials industries to our team. It's this diversity in our senior leadership that translates into effective advocacy and thought leadership for our entire organization.

However, we recognized that there are more passionate leaders within our sector than LSO board seats. So we created a new CEO advisory committee to help engage leaders in life sciences and to ensure that their contributions and collective experience influences the strategic direction of LSO.

Strengthening LSO's leadership in this fashion has already produced meaningful results. In October 2014, LSO issued a statement supporting the government's decision to invest in MaRS Discovery District as a key component within the life sciences ecosystem. Minister Brad Duguid read the statement in the legislature during question period to defend the government's support of innovation and life sciences in Ontario, allowing him the opportunity to specifically recognize LSO's leadership role within the sector.

We will continue to demonstrate this type of leadership by raising the profile of life sciences as a strategic priority sector for Ontario's economy and future prosperity. Our next step is publishing a detailed Life Sciences Sector Report in 2015 to provide quantitative evidence of the sector's significant contributions to the provincial economy. This report will provide a much-needed, evidence-based benchmark to inform both life sciences advocates and policy makers.

In conclusion, LSO continues to steward a strong, aligned voice for Ontario's life sciences sector. We will continue to be champions for collaboration and to work with government and all life sciences stakeholders to see our sector grow and thrive.

Paul Lucas,  
Chair, Life Sciences Ontario



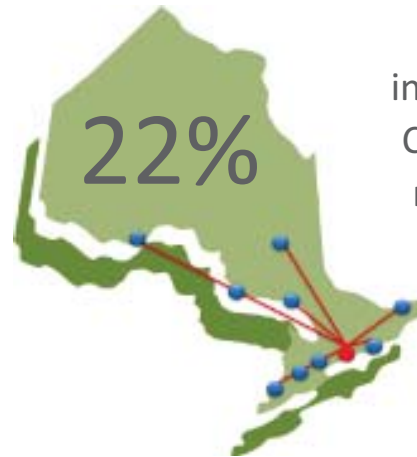
***Life Sciences Ontario strives to position Ontario's life sciences sector as a leader for economic growth through research-driven innovation by advocating for programs and policies that encourage commercial success***

# HIGHLIGHTS FROM 2014



7

advocacy papers published, with  
one read in the Ontario legislature



22%  
increase in  
Corporate  
members

2,300

# of registrants during 25 LSO  
events in 2014

150%



@LifeSciencesON

Twitter follower growth

## LSO STRATEGIC PRIORITIES



# Policy and Government Relations



The LSO Policy and Government Relations committee continues to support a strong, aligned voice for members and all life sciences stakeholders. The committee continues to grow in size as our members seek to add their voices to our sector advocacy.

In 2014, LSO produced seven key advocacy documents, including:

- A detailed response to the Industry Canada Science and Technology Consultation.
- A pre-budget submission to the Ontario Minister of Finance.
- A statement on the 2014 Ontario Budget and its potential impact for the life sciences sector
- A collaborative statement with the Ontario Chamber of Commerce, Toronto Regional Board of Trade and Rx&D on the importance of life sciences for Ontario's economic growth and healthcare sustainability.
- A joint statement with BiopolisQuébec on the Quebec-Ontario Life Sciences Corridor's significance
- A statement supporting Ontario's continued investment in MaRS Discovery District, which Minister Brad Duguid read in the legislature during question period to defend the government's support of Ontario's innovation and life sciences.
- A statement in support of the Ontario Health Innovation Council's report and recommendations.

Beyond these documents, LSO continued to engage with elected officials and policy makers through these events and activities:

- **LSO Awards Gala**, which attracted elected officials from three political parties, including two cabinet ministers.
- **LSO Policy Forum**, which attracted 21 representatives from 12 government entities (national, provincial and municipal), including representatives from the Premier's Office.
- **Pre-election messaging** for all Ontario political parties about the life sciences sector's importance prior to the 2014 election, which we worked hard to align with our partners' messaging.

LSO also participated on the advisory committee for the MOWAT Centre's discussion paper "Federal Economic Agenda for Ontario" meant to inform Federal election platforms of Ontario specific needs and opportunities.

The Policy and Government Relations also met with a number of leaders in the life sciences sector. The data collected through these consultations will help inform our advocacy as we move into 2015.



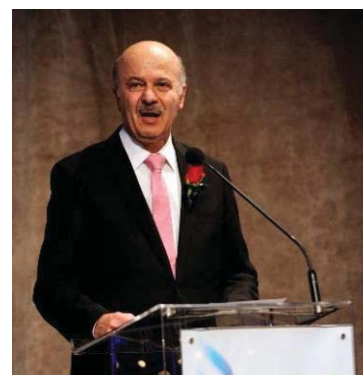
# Annual Awards Gala

The 2014 Annual Awards Gala was LSO's most well-attended to date with 400 people attending this annual celebration of Ontario's success.

The gala, which is LSO's largest single fundraising event, achieved its financial target to surpass 2013 revenues thanks to the organizing committee's efforts.

Our guests included politicians, political staff and bureaucrats from both municipal and provincial government. Health Minister Deb Matthews attended, as did Reza Moridi, Minister of Research and Innovation.

We also welcomed deputy ministers from Economic Development, Trade and Employment, Agriculture and Northern Development and Mines, along with Toronto's Deputy Mayor, Norm Kelly.



Minister Reza Moridi,  
Research and Innovation



LSO Volunteer Award –  
Andrew Yoshioka



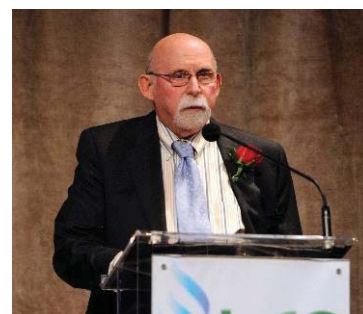
Lifetime Achievement –  
Mark Lievonon



Leadership Recognition –  
L-R – Jason Field, Jason Locklin, Lorne Meikle, Paul Lucas, Grant Tipler, Jack Wearing



Company of the Year – DVS Sciences



Community Service Award –  
Ronald Pearlman



# BIO International Convention



Life Sciences Ontario partnered with the Government of Ontario to help lead industry coordination for BIO. On June 4, 2014, we hosted the annual BIO Industry Kick-off Event to help Ontario delegates prepare to make BIO as meaningful and productive an experience for them as possible. Based on a survey given to attendees, over 92 per cent of people were satisfied with the event and information presented.

In San Diego, LSO had a strong presence within the Canada Café and Ontario Pavilion where we promoted the province, fielded questions and connected Ontario delegates with international visitors. Visitors to the booth were able to view our promotional video, which profiles our diverse membership and the breadth of Ontario's life sciences industry. Jason Field and LSO Chair Paul Lucas hosted federal MP Mike Lake, Mayor Hazel McCallion and Assistant Deputy Minister Tony LaMantia at the Ontario Pavilion and provided a briefing on the valuable socioeconomic contributions of Ontario's Life Sciences Sector.



LSO also co-hosted an event with our partners at Biopolis-Quebec, furthering our relation across the ON/QC Life Sciences Corridor, that included joint announcements with the Ontario Centres of Excellence (OCE), Ontario Brain Institute (OBI) and CQDM. Over 130 delegates attended the event, which featured two panel sessions:

1. Opportunities to work within the ON/QC Life Sciences Corridor, including Diane Gosselin, President-CEO CQDM; Martin Leblanc, President CEO, Caprion; Mark Lievonon, President, Sanofi Pasteur; and Mark Poznansky, President CEO, Ontario Genomic Institute.
2. International examples of leading life sciences clusters that collaborate beyond their geopolitical borders, including Ursula Hultkvist Bergtsson, Executive VP, Medicon Village AB; Agnès Legoll, Directrice Europe et International, Alsace BioValley; and Dr. Susan Windham-Bannister, President CEO, Massachusetts Life Sciences.

LSO looks forward to further collaborations to highlight our sector's strengths at BIO in 2015.



# Communications

LSO's Communications committee continued to support the needs of the organization and its sub-committees.

## Notable highlights include:

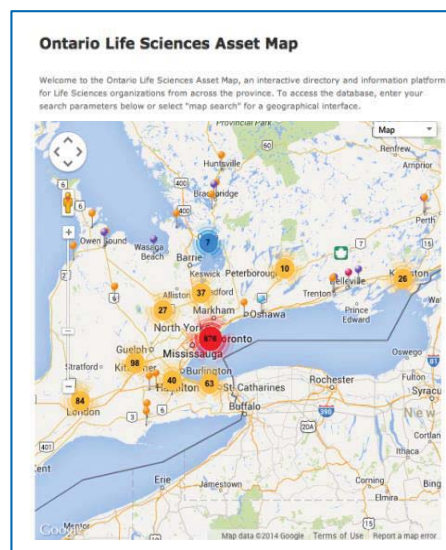
- Enabling LSO's outreach activities through webcasting. The committee, led by Janet Northan, developed a videoconferencing strategy and evaluated several technologies to make LSO Breakfast meetings available to members and non-members across Ontario, broadening the reach of this popular event series.
- Moderate growth in our digital reach, including a 19 per cent increase in unique web visit and a 150% growth in Twitter followers to 805. Twitter is responsible for 72 per cent of our social web traffic, which makes the growth in that account particularly notable.
- Initial work began on a video testimonial series to profile successful life sciences organizations in Ontario and underscore the sector's importance as an economic driver. Watch for more in 2015.

Moving into 2015, the committee's next priority is to conduct a communications audit and establish a robust, appropriately-resourced strategic communications plan to support LSO's overall growth and sustainability. We have allocated additional resources to communications to improve the reach, frequency and quality of our communications in 2015.

If you have suggestions about how we can better communicate to serve your needs, please let us know.

## Most popular pages on the LSO website:

- Homepage
- Events calendar
- Member directory
- About LSO
- Gala information page
- LSO's Board
- Asset Map
- Membership
- Mentorship





# Knowledge and Networking Breakfasts



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

In 2014, LSO hosted 10 meetings, attended by an average of 63 people per event; this marks a 20 per cent increase over 2013's attendance, for which we thank our volunteers. The committee has made a concerted effort to plan interesting, relevant speakers and topics in easily-accessible venues.



In late 2014, we also began offering web casts for this event series through a successful pilot. Web casting is now an integral part of the breakfasts, allowing greater reach across the province and particularly beyond the Greater Toronto Area.

Sample topics included:

- Challenges and opportunities for biotechnology from a federal perspective
- The BIO 2014 International Convention
- Access to capital
- The business of agriculture
- The intersection of math and life science,
- The launch of National Biotechnology Week
- Ebola Therapy Development: Canadian Science Advances via International Partnerships
- Two member marathons, which highlight LSO member companies.



We will continue to hold meetings in both the downtown core and other locations to expand the event series' reach and accessibility for our members.

Breakfast meetings are subsidized by membership and sponsorship. To ensure high-quality events and make the event series sustainable, we adopted a nominal fee for breakfast sessions in 2013, which was maintained in 2014. This fee has not been a deterrent to meeting attendance.





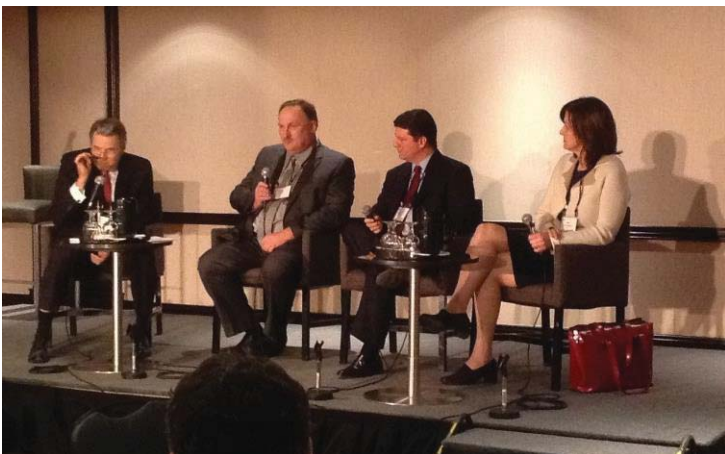
# Annual Life Sciences Policy Forum

The LSO Fall Policy Forum, held on December 9, 2014 at Toronto's Hyatt Regency hotel, focused on tangible policy and industry initiatives that can help grow Ontario's life sciences sector. With over 150 attendees, including 21 representatives from 12 government entities (national, provincial and municipal), we feel comfortable saying the right people were in the room.

Dr. Maurice Bitran, CEO of the Ontario Science Centre, delivered a keynote on science's important role in public policy and, specifically, the need for better communication between scientists and elected officials.

Panel discussions included CEOs and senior leaders from across Ontario's diverse life sciences sector, including pharmaceutical, medical technologies, agri-food and industrial biotechnology companies. LSO also organized panels that were specific to emerging life sciences companies and developing the next generation of scientists.

Said LSO President and CEO Jason Field, "We were really gratified to see such a strong turnout from Ontario's public service. I had one conversation with a senior policy representative from the Premier's Office who said he would relay messaging and findings from the event back to Premier Wynne. We plan to publish a summary of this event's proceedings in early 2015 and to allow the shared insight inform our advocacy messages across the coming year."



# Mentorship



Supporting the professional development of both entrepreneurs and future professionals in the life sciences remains a core activity for LSO. In 2014, the LSO Mentorship committee offered several opportunities to support the future success of program participants through the mentorship and expert roundtable discussions, including matching young professionals with an experienced mentor.

In 2014, LSO made 27 successful matches, bringing the program total to over 300 since the program's 2009 inception. The committee is also exploring online platforms to allow increased convenience, resource support and matching efficiencies for program participants.

LSO held three expert roundtable events for young entrepreneurs, covering important topics such as:

- Market Research
- Maximizing Advantage through IP Strategy
- Lived It: Key Success Factors.





# Networking Nights

LSO's Networking Nights event series provides LSO members and non-members with a forum to meet with their life sciences colleagues in a social setting. This year, 590 people representing 410 organizations created 825 registrations for this popular series.

In 2014, LSO hosted eight events which attracted an average of 100 attendees per event, up from 50 in 2013. Our most popular event attracted over 150 people, up from 100 in 2013. Many of the events were held following LSO Board meetings to facilitate interactions between members and the Board.

Five of our events were presented with first-time community partners: the Royal Canadian Institute for the Advancement of Science, Biotech Annecto, Ontario Brain Institute, SimONE and High Performance Computing Virtual Laboratory.

We were pleased to host another summer patio event with the Centre for Imaging Technology Commercialization (CIMTEC MedTech Thursdays).

LSO gratefully acknowledges the volunteers who facilitated small group discussions at our May roundtable on cancer drug reimbursement.

We are also grateful to Ernst & Young, OtoSim Inc., Invest in Tuscany/ITACA, Richardson GMP, and Eli Lilly for financial sponsorships to support our various networking events.





# Annual Golf Classic



August 2014 found LSO continuing its strong annual tradition of hosting the life sciences' sector's "must attend" golf tournament at Kleinburg's Copper Creek Golf Club. The sold-out tournament gave golfers the chance to network with other industry colleagues while enjoying some beautiful summer weather.

Our special guest this year was Mike Harris, Silver Medalist in Curling at the 1998 Olympics. In addition to curling, Mike is a golf professional and he graciously volunteered to participate in a special on-course competition that blended his love of curling and golf.

Other contest holes included "Meet and Out-Putt the LSO Chairman" (Paul Lucas), sponsored by the City of Toronto; "Closest to the Line" sponsored by Accuworx Inc.; "Longest Drive" and "Closest to the Pin." New this year was "Longest and Second Longest Putt" sponsored by Cynapsus Therapeutics Inc.

Thanks to our corporate sponsors, guests enjoyed breakfast, beverages and snacks at the halfway house, a pre-lunch reception and lunch. We thank Ultima Foods for donating yogurt at breakfast, Netex Enterprises Inc. for sponsoring the golf shirts provided to each participant, and Bio Business Magazine for providing photography.

We also received many generous donations from many organizations for the Registration Gift Bag, Prize Table and Silent Auction. All of the Silent Auction proceeds have been donated to Partners in Research, a charity responsible for the Sanofi Pasteur BioGENEius Awards.

# About LSO

## Vision: Diversity of Members, Unity of Voice

We envision a vibrant life sciences sector that leads Ontario's economic growth and job creation while providing solutions to the biggest social challenges facing the province and the world.

## Mission

As the voice of Ontario's life sciences community, our mission is to foster commercial success for the sector through advocacy and education while promoting the industry locally, nationally and internationally.

## Values

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

## >> LSO OFFERINGS

- 
- Economic Development
  - Education and Networking
  - Advocacy
  - Marketing and Promotion
  - Professional Development and Mentorship



# Board of Directors

## Executives and Officers



**Paul Lucas**  
Chair



**Matt Buist**  
Vice-Chair



**John Kelly**  
Vice-Chair  
Executive Vice President,  
Ontario Fruit and Vegetable  
Growers' Association



**Jeff Graham**  
Secretary  
Partner, Borden Ladner  
Gervais LLP



**Mario Piccinin**  
Treasurer  
Partner, Ernst & Young LLP

## Directors



**David Allan**  
Chairman, AvidBiologics



**Ed Dybka**  
President & CEO,  
AstraZeneca Canada



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



**Raphael Hofstein**  
President & CEO,  
MaRS Innovation



**Rob Kee**  
Vice President and Managing  
Director, Ingredion Canada  
Incorporated



**Jason Locklin**  
Director, Global  
Government Affairs, Alexion  
Pharma Canada Corp.



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



**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



**John van Leeuwen**  
Co-Founder and Chief  
Executive Officer,  
EcoSynthetix



**Bernard West**  
President, Westworks  
Consulting Limited



**Russell Williams**  
President, Rx & D



# Members and Partners



## Platinum



## Silver







# Thank you to the organizations who have sponsored LSO events in 2014





# Committee Members

LSO would like to thank our Board of Directors, many volunteer members and partners, and the staff at First Stage Enterprises for their many contributions to LSO in 2014

## Executive Committee

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

## Golf Committee

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

## Membership Committee

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

## 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  
Brian Craig

## Fall Symposium Committee

John Kelly (Chair)  
Matt Buist  
Christine Beyaert  
Jason Field  
Jason Locklin  
Colleen Lytton  
Jayson Parker  
Benjamin Rovinski  
Mark Smithyes  
Sue Munro  
Brian Craig

## Pub Night Committee

Andrew Yoshioka (Chair)  
Nathalie Goodfellow  
Luca Pisterzi

## **Policy and Government Relations Committee**

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

## **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  
Isabelle Henderson  
Janet LeClair  
Richard Narayansingh  
Brenda Osler  
Jas Saggar  
Sue Munro  
Brian Craig

## **Communications Committee**

Janet Northan (Chair)  
Christine Beyaert  
Megan Boyle  
Emily Easto  
Denis Ferkany  
Jason Field  
David Greb  
Tracy Hooey  
Ella Korets-Smith  
Jonathan Madriaga  
Jayson Parker  
Mark Penner  
Sue Munro  
Brian Craig

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**LIFE SCIENCES ONTARIO**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

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	<b>8. Schedule of Revenues and Expenses</b>



## INDEPENDENT AUDITORS' REPORT

To the Members and Board of Directors  
Life Sciences Ontario  
TORONTO  
Ontario

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Life Sciences Ontario which comprise the statement of financial position as at December 31, 2014 and the statements of operations and changes in net assets and cash flows for the year then ended and 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 misstatement.

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, these financial statements present fairly, in all material respects, the financial position of Life Sciences Ontario as at December 31, 2014 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.

### *Other Matters*

The financial statements of Life Sciences Ontario for the year ended December 31, 2013, were audited by another auditor who expressed an unqualified opinion on those statements on March 24, 2014.

*Norton McMillen LLP*

NORTON McMULLEN LLP  
Chartered Professional Accountants, Licensed Public Accountants

Markham, Canada  
March 11, 2015

# LIFE SCIENCES ONTARIO

## STATEMENT OF FINANCIAL POSITION

As at December 31,

2014

2013

### ASSETS

#### Current

Cash	\$ 131,713	\$ 59,104
Accounts receivable	21,493	35,242
HST receivable	40,741	51,473
Prepaid expenses	30,815	2,414
	<u>\$ 224,762</u>	<u>\$ 148,233</u>

#### Capital Assets (Note 2)

	<u>2,280</u>	<u>1,558</u>
	<u>\$ 227,042</u>	<u>\$ 149,791</u>

### LIABILITIES

#### Current

Accounts payable and accrued liabilities	\$ 38,070	\$ 58,253
Deferred revenue	84,217	8,474
	<u>\$ 122,287</u>	<u>\$ 66,727</u>

### NET ASSETS

	<u>104,755</u>	<u>83,064</u>
	<u>\$ 227,042</u>	<u>\$ 149,791</u>

Approved by the Board:

 Director

 Director

See accompanying notes

- 2 -



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## LIFE SCIENCES ONTARIO

### STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31,

2014

2013

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#### REVENUES

Special events and meetings (Page 8)	\$ 262,070	\$ 254,683
Membership and general sponsorship	207,794	208,664
Special projects (Note 3)	24,088	37,447
	<u>\$ 493,952</u>	<u>\$ 500,794</u>

#### EXPENSES

Office, general and projects (Note 3)	\$ 296,606	\$ 279,594
Special events and meetings (Page 8)	147,848	166,441
Communications	10,079	4,254
Industry associations	8,990	13,301
Bank charges	8,061	9,795
Depreciation	677	850
	<u>\$ 472,261</u>	<u>\$ 474,235</u>

#### EXCESS OF REVENUES OVER EXPENSES

\$ 21,691	\$ 26,559
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#### NET ASSETS - Beginning

<u>83,064</u>	<u>56,505</u>
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#### NET ASSETS - Ending

<u>\$ 104,755</u>	<u>\$ 83,064</u>
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See accompanying notes

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# LIFE SCIENCES ONTARIO

## STATEMENT OF CASH FLOWS

For the year ended December 31,

2014

2013

### CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

#### OPERATING ACTIVITIES

Excess of revenues over expenses	\$ 21,691	\$ 26,559
Items not affecting cash:		
Depreciation of capital assets	677	850
	<u>\$ 22,368</u>	<u>\$ 27,409</u>
Net change in non-cash working capital balances:		
Accounts receivable	13,749	(20,248)
HST receivable	10,732	(26,851)
Prepaid expenses	(28,401)	30,353
Accounts payable and accrued liabilities	(20,182)	(27,683)
Deferred revenue	75,743	(46,433)
	<u>\$ 74,009</u>	<u>\$ (63,453)</u>

#### INVESTING ACTIVITIES

Purchases of capital assets	<u>\$ (1,400)</u>	<u>\$ -</u>
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#### INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	<u>\$ 72,609</u>	<u>\$ (63,453)</u>
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#### CASH AND CASH EQUIVALENTS - Beginning

	<u>59,104</u>	<u>122,557</u>
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#### CASH AND CASH EQUIVALENTS - Ending

	<u>\$ 131,713</u>	<u>\$ 59,104</u>
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See accompanying notes

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# LIFE SCIENCES ONTARIO

## NOTES TO FINANCIAL STATEMENTS

### DECEMBER 31, 2014

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#### NATURE OF OPERATIONS

Life Sciences Ontario (the "Organization") was incorporated on December 13, 1989 under the provisions of the Canada Corporations Act and commenced operations shortly thereafter. The Organization is a not-for-profit corporation and is therefore exempt from income taxes.

The Organization represents and promotes Ontario's vibrant and diverse life sciences sector. The Organization 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.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

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

a) **Cash and Cash Equivalents**

Cash and cash equivalents consists of cash held in a bank account only.

b) **Capital Assets**

Capital assets are recorded at cost. Amortization is being provided over the estimated useful life of the asset using the following rates and methods:

	<u>Rate</u>	<u>Method</u>
Computer	30%	declining balance

c) **Revenue Recognition - Deferral Method**

Special project revenue consists of funding to undertake specific projects. Special projects revenue is recognized as expenses are incurred. Membership fees, sponsorships, special events and meetings and government support 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 received pertaining to the subsequent period are deferred and recognized as revenue in the appropriate period.

d) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

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**LIFE SCIENCES ONTARIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

e) **Financial Instruments**

**Measurement of Financial Instruments**

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

Financial assets measured at amortized cost include cash and cash equivalents, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

**Impairment**

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess or deficiency of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversals is the same as if there had been no write-down. There are no impairment indicators in the current year.

2. **CAPITAL ASSETS**

Capital assets consist of the following:

	<b>2014</b>		<b>2013</b>
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Computer	<u>\$ 4,232</u>	<u>\$ 1,952</u>	<u>\$ 2,280</u>
			<u>\$ 1,558</u>



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**LIFE SCIENCES ONTARIO**  
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**3. SPECIAL PROJECTS**

The following special projects were undertaken by the Organization in 2014. Associated expenses are included in office, general and project expenses. Revenue was recognized as follows:

	2014	2013
Reports & Advocacy	\$ 10,000	\$ 17,443
BIO2014 Project	7,410	15,204
Member Benefits Programs	3,381	247
Ontario/Quebec Life Sciences Corridor Project	3,000	2,557
Other	297	1,996
	<u>\$ 24,088</u>	<u>\$ 37,447</u>

**4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**Risks and Concentrations**

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at December 31, 2014.

**a) Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. The Organization provides credit to its members and clients in the normal course of operations. There were no concentrations of credit risk as at December 31, 2014. Actual exposure to credit losses has been minimal in prior years. There is no allowance for doubtful accounts. There has been no change in the risk assessment from the prior year.

**b) Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable. The Organization expects to meet its obligations by managing its working capital and by generating sufficient cash flows from operations. There has been no change in the risk assessment from the prior year.

**c) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Organization is not exposed to these types of market risk.

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## LIFE SCIENCES ONTARIO

### SCHEDULE OF REVENUES AND EXPENSES

For the year ended December 31,

2014

2013

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#### REVENUES

##### SPECIAL EVENTS AND MEETINGS

Annual awards gala	\$ 133,275	\$ 132,243
Golf tournament	68,460	70,370
Fall event	41,220	37,770
Breakfast meetings	7,045	8,817
Silent auctions	6,579	4,717
Pub nights and mentorship	5,491	766
	<u>\$ 262,070</u>	<u>\$ 254,683</u>

#### EXPENSES

##### SPECIAL EVENTS AND MEETINGS

Annual awards gala	\$ 66,288	\$ 68,156
Golf tournament	40,189	35,872
Fall event	22,033	16,815
Education awards and programs	8,409	14,807
Pub nights and mentorship	6,062	1,789
Breakfast meetings	4,867	13,132
Ontario-Quebec Project Activities	-	15,870
	<u>\$ 147,848</u>	<u>\$ 166,441</u>

##### EXCESS OF SPECIAL EVENTS AND MEETINGS

REVENUES OVER EXPENSES	<u>\$ 114,222</u>	<u>\$ 88,242</u>
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See accompanying notes

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To become a member or for information about LSO's activities, please contact:

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