



ONTARIO PORK

Corporate Profile 2019

# Navigating Change Together





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## Message from the Chair

# Resilience in the Face of Change



I'm pleased to share with you Ontario Pork's Corporate Profile 2018-2019, highlighting the many ways this organization continues to move Ontario's swine industry forward.

Resilience, adaptability and a strong strategic focus remain the hallmarks of our industry, even in the face of adversity over the past year. Trade disputes, disease threats and animal rights extremism were just some of the challenges that emerged in recent months.

To navigate these challenges, Ontario Pork drew on its relationships with government, with Ontario agriculture partners, and with pork industry stakeholders across the country. Working together allowed us to accomplish more than any group could do in isolation.

Ontario Pork partnered with *Swine Health Ontario (SHO)* and the *Ontario Pork Industry Council (OPIC)* on *African Swine Fever (ASF)* prevention and preparedness, creating the *Ontario Swine Incident Command Centre (OSICC)*. The group continues to work with government and industry to bring together people and resources needed to reduce the risk of an ASF outbreak in Ontario, and to minimize, as much as possible, the impact of any potential outbreak.

Ontario Pork is the voice of producers to government on important issues facing the swine industry. In 2019, staff and board members worked with Ontario's agriculture sector to draft recommendations on the new *Provincial Animal Welfare Services Act, 2019*, reflecting the unique nature of livestock operations.

A grassroots campaign, supported by pork farmers, was instrumental in the introduction of the new *Security from Trespass and Protecting Food Safety Act, 2019*, by Minister of Agriculture Ernie Hardeman in December. These two Bills demonstrate the industry's commitment to the highest standards of animal care and the high levels of trust and respect we've earned with government.

This organization was pleased to join Ontario's government in an announcement of provincial funding for a new state-of-the-art swine research facility in July, and to take part in a trade mission to South Korea and Japan in October. We continue to work with

government to develop a new approach to risk management programs that better meet the needs of producers.

Risk management took on added importance during a trade disruption with China that lasted from June to November. China remains one of the top three export markets for pork produced in Ontario, so the extended disruption became an opportunity for Ontario Pork to work with partners to find alternate markets and advocate for government action.

Throughout 2019, the Ontario Pork Board, supported by staff, continued to seek new ways to deliver value to members. Resolutions sessions, Policy Day and producer information meetings are just some of the ways the organization shares information and gathers feedback from members. In 2019, the Political Structure Review committee evaluated the political structure of Ontario Pork. The committee's recommendations regarding changes designed to better serve the evolving industry will be presented in March 2020.

As I come to the end of my term as Chair of Ontario Pork, I want to acknowledge the hard work of staff and my fellow Board members. I also want to emphasize how important your voice is to Ontario Pork. I encourage each of you to do your part to make Ontario's pork industry stronger. There are many ways to get involved: become a delegate or a committee member, participate in education and outreach opportunities, speak out to government on key issues, or run for a position on the Board. It's the people that make our industry.

Together, we will build a strong future for Ontario's pork industry, no matter what challenges come our way.

**Eric Schwindt.** Chair





Message from the General Manager

# Building for the Long Term



Ontario Pork maintained its focus on fostering a vibrant business environment for producers throughout the past year, despite pricing pressures, worldwide animal health concerns and trade uncertainties.

We remained committed to providing value by efficiently and effectively delivering programs and services, advocating for improved market access and supporting research and innovation for the benefit of Ontario's pork producers.

## Support to producers, public and stakeholders

Building on input from producers, Ontario Pork began to implement the Canadian Pork Excellence (CPE) program. Our staff provided support to 156 individuals who participated in manager and validator training; 57 farms were certified under the program.

Ontario Pork also worked with farms, processors and transporters to pilot enhanced AgManifest software, designed to improve traceability while reducing paperwork. The enhancements will assist the industry in tracking swine movement so that this information can be used in the event of a disease outbreak.

## Sustainable business environment

Working with the Ontario Pork Industry Council and Swine Health Ontario, Ontario Pork helped to raise awareness about emerging animal disease risks, including African Swine Fever. In partnership with the government, we will continue working on options to reduce the risk and impact of a foreign animal disease outbreak.

Ontario Pork's relationships with provincial and federal governments were vital to addressing issues including the trade dispute with China and market access in Japan and South Korea. Provincially, Ontario Pork advocated for changes to animal care enforcement and provided input into new legislation. The *Provincial Animal Welfare Services Act (PAWS)*, 2019 and proposed *Security from Trespass and Protecting Food Safety Act*, respect the right to peaceful protest and ensure balance between the high standards of animal care inherent to pork farming, and protection for farmers, transporters and others involved in food production.

## Innovation and research

In July, Ontario's government announced support for a new swine research facility. This followed many months of planning and consultation with government and industry partners. Currently in its design phase, this state-of-the-art facility will position the sector to grow and compete in the years ahead.

Ontario Pork funds advanced research in areas including housing, nutrition, disease and animal care. Over the past year, Ontario Pork worked to improve knowledge transfer between researchers and producers by enhancing communications and publishing summaries of active and completed research projects on our website.

## Elevation of trust

Maintaining and building public trust remains crucial to the long-term sustainability of the pork industry.

In 2019, Ontario Pork introduced its next social responsibility report, focused on continuous improvement in four dimensions: Successful Farming Operations, Healthy

Animals and Safe Food, Sustainable Environment, and Strong Communities and People. The goals of the report are to build trust and to support a better understanding of our industry by providing factual information about modern pork farming practices.

I would like to thank Ontario's pork producers, Board and staff for their efforts and energy in meeting the collective challenges that we are facing. A clear sense of purpose and commitment to continuous improvement will ensure that Ontario's pork industry is here for the long term.

**Ken Ovington.** General Manager



ONTARIO PORK

# Who We Are

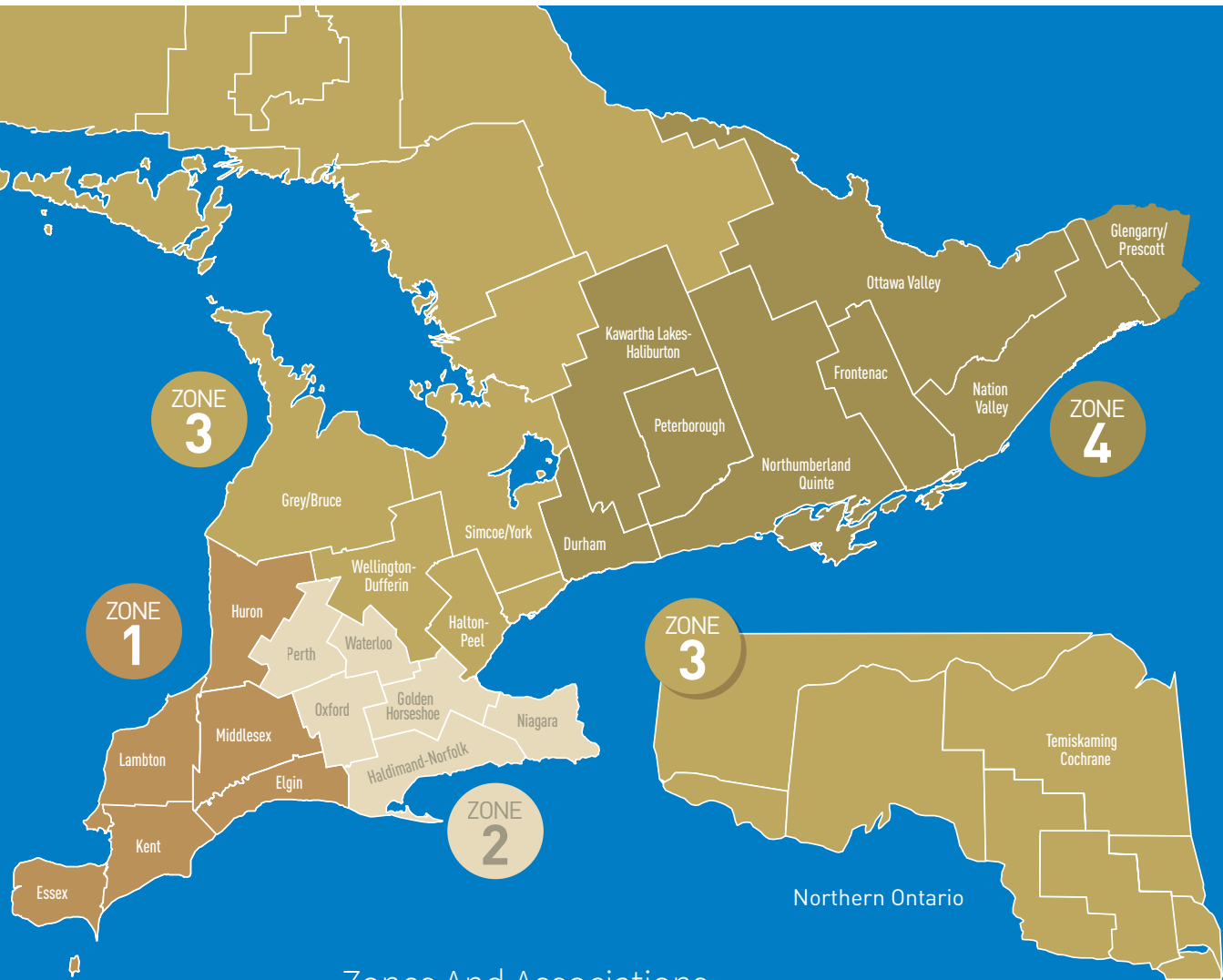
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## Ontario Pork Overview

Ontario Pork is the voice of the province's 1,180 pork farmers, and a leader in the agriculture industry.

Led by producers, Ontario Pork is committed to sustainable growth in the pork sector, delivering government representation, research investment, industry improvements in areas including animal care and environmental sustainability, while growing the brand and reputation of producers and their product. Ontario Pork also provides marketing services to participating producers.

Founded in 1946, the Ontario Pork Producers' Marketing Board is a non-profit association that operates under the Farm Products Marketing Act.



## Zones And Associations

From the local level to the national stage, Ontario Pork is about advancing the interests of farmers. Local associations elect delegates and board members, provide input into policies and decisions, and promote the industry at the community level. Active, engaged local associations contribute to the long-term success of the industry.



## Mission

Distinction and excellence in pork.

## Vision

Foster a vibrant business environment for producers.

## Values

- Integrity, trust, respect and honesty in all we do
- Leadership within the industry
- Excellence in service and performance
- Accountability for all of our actions
- Open communication with producers, government, stakeholders and staff
- Working in partnership with producers and stakeholders within the industry



## Board Members (2019-2020)

### **Eric Schwindt**

*Chair (Waterloo, Zone 2)*

### **John de Bruyn**

*Vice-Chair (Oxford, Zone 2)*

### **Eric Hartemink**

*(Elgin, Zone 1)*

### **Mike Mitchell**

*(Middlesex, Zone 1)*

### **Teresa Van Raay**

*(Huron, Zone 1)*

### **Doug Ahrens**

*(Perth, Zone 2)*

### **Chris Cossitt**

*(Grey / Bruce, Zone 3)*

### **Arno Schober**

*(Simcoe / York, Zone 3)*

### **Oliver Haan**

*(Northumberland / Quinte, Zone 4)*

## Senior Staff

### **Ken Ovington**

*General Manager*

### **Neil Harper**

*Manager Information Systems*

### **Jim Weir**

*Manager Finance and Administration*

### **Stacey Ash**

*Manager Communications  
and Consumer Marketing*

### **Frank Wood**

*Manager Industry and Member  
Services*

### **Patrick O'Neil**

*Manager Ontario Pork Marketing  
Division*

# Social Responsibility Report

Ontario Pork's story to government, consumers and industry is built on a foundation of social responsibility.

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In 2015, Ontario Pork launched its first social responsibility report, *An Era of Change and Accountability*. As the first of its kind in Ontario, the three-year commitment blazed a trail for agriculture groups seeking to build and maintain public trust. Throughout 2019, Ontario Pork sought feedback from farmers, industry stakeholders, consumers and leadership to ensure the commitments made in the second social responsibility report were relevant, achievable and meaningful to government, consumers and industry.

The end result is *Building a Better Tomorrow*, a streamlined report that focuses in on four priority areas, with clear, succinct and measurable goals for improvement in each of those areas. Today, and in the future, the commitments made in this report will help Ontario's pork farmers continue to grow:

- Successful Farming Operations
- Healthy Animals and Safe Food
- Sustainable Environment
- Strong Communities and People

Launched at the Ontario Pork reception at Queen's Park, this report is a promise to always strive to do better, today and in the future.

**FIND OUT MORE >>** [ontariopork.on.ca/Social-Responsibility](https://ontariopork.on.ca/Social-Responsibility)

1,180 PORK PRODUCERS IN ONTARIO



MARKETED IN 2019

5,535,008 HOGS







# Government Relations and Policy



From the municipal level to international bodies, governments influence farming, finance, transportation, environmental practices and trade.

Ontario Pork and its members work to raise awareness of important issues facing the swine industry and its economic contribution by supporting advocacy at all levels, from one-on-one conversations with political leaders, to having a seat at the table for national policy discussions.

"I grew up on the farm in Holland and came to Canada in 1994. When my kids grew up I started looking for interesting things to do. Well, somebody suggested I should take the Ontario Pork Leadership course. I thought, why not try it? One of the activities was a trip to Queen's Park. Politicians are just ordinary people doing a job but they have to — they want to — hear from the farmers

themselves so we need to bring the farm closer to them. Many of them were raised in urban environments. They have no first-hand knowledge of farms. We need to educate them on farming so they can do policy.

Government want to hear the issues but they want to hear direct from the source. I was always shy and never thought anyone had any interest in what I had to say, but I know how important it is that we get our message out. I think sometimes we farmers don't do a good job of telling our story because we're busy farming. As the farm gets farther away from customers, we need to let them know we're still here.

We want to work with the government and they want to hear us whether it's about foreign workers, biosecurity or the *Trespassing Act*. For us it's simple: Tell the truth and say what you're thinking. We all win with good government relationships. If they don't know our story they can't govern effectively."

**Jolanda Vandenbroek**  
Pork farmer, Oxford County

*"We all win with good government relationships."*

**GET INVOLVED >>** Interested in learning more about speaking to government on behalf of industry? Ontario Pork's leadership training program is a great place to start.  
**Contact** Olga Klashtorny to learn more: [olga.klashtorny@ontariopork.on.ca](mailto:olga.klashtorny@ontariopork.on.ca)

**IN 2018,**  
ONTARIO PORK INDUSTRY  
FROM **FARM-TO-FORK**  
GENERATED: >>



**FULL-TIME EQUIVALENT JOBS**

**13,186**



# Research and Innovation

Innovation is the driving force behind progress. Ontario Pork is committed to investments in research that will take this industry to the next level, and ensure long-term success.

In addition to funding research projects in areas including production, nutrition, product development and animal health in 2019, Ontario Pork received provincial government support for a new state-of-the-art swine research facility.

“There are really two parts to our research. The first part is that we have an ongoing commitment to fund research projects from a fee collected every year from producers. We put out a call annually and evaluate projects presented to us by researchers and farmers and award funding based on specific criteria.”

Long term, we’re very involved with the University of Guelph, the Ontario Ministry of Agriculture, Food and Rural Affairs, and the Agriculture Research Institute of Ontario on a new research facility. The research farm at Arkell is nearing its end of life so we’re involved in a new farrow to finish barn devoted to research at the Elora Research Station.

The funding model is set and the planning is ongoing to meet our dreams of what a modern, forward-looking research facility can be. It’s exciting but daunting. Producers should be happy that the current climate in Ontario is conducive to investing in the kind

of research that benefits our farms. Change happens quickly and it’s exciting to have the means to adapt to it.

I think the most important result of our research investment is the human capital that it supports. There’s a whole network of people to engage with and this research continues to generate the knowledge that attracts the best minds. At the end of the day that’s what’s going to keep our industry going forward.”

**John de Bruyn**  
Vice-Chair, Ontario Pork,  
Oxford County pork farmer

*“Investing in the kind of research that benefits our farms.”*



ONTARIO  
PORK  
**EXPORTS  
GLOBALLY**  
BY WEIGHT



**51%**  
UNITED  
STATES

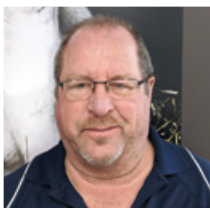
**14%**  
MEXICO

**12%**  
CHINA

**23%**  
REST OF  
THE WORLD



# Technology and Infrastructure



## Food Safety/Traceability

The importance of technology and infrastructure in modern pork production is undeniable. Not only does it ensure Ontario's market competitiveness nationally and internationally but it also plays a big part in on-farm operations. In 2019, Ontario Pork worked with producers, transporters and processors to enhance traceability and reduce paperwork burden through improvements to the AgManifest interface and usability.

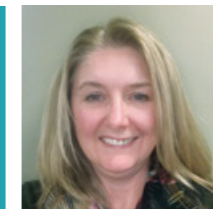
"I'm a dispatcher and my job is to get loads ready and distribute them to our drivers. We run a fleet of over 20 tractors and more than 30 trailers that we use to pick up and deliver to packers. In addition we have more than 10 straight trucks that move pigs from one farm to another or bring them here to our yard. We've been using AgManifest to help keep track of all that for the last couple of years.

It gives a real advantage to the packers. It's a better tracking system once everything is in place in the system. When everybody does their job it works well. As a transporter we have to get the data entered, particularly for some of the smaller operations. The big operations are completely on line with this since they're often dealing with the packers directly.

The purpose is for everything to be documented for traceability which is what everyone wants. If there's a need to go back and find something, say you lost or couldn't find a tattoo number, you could go back and find it easily. It's definitely the future."

**Harold Shoemaker**  
Vernla Livestock Dispatch

## Recent Enhancements to AgManifest Software



"We were part of the original steering group that helped design AgManifest to improve traceability in real time. The benefit of traceability is huge particularly in light of emerging animal diseases. If we're able to further prove to our domestic and export customers that we have control over the movement of animals, and we have a disease outbreak, we can say with increased confidence that we know where the animals are coming from and that our product is not at risk.

That's particularly important on the export side. They have heightened awareness of documentation and chain of control. They want to know that we have Canadian Pork Excellence (CPE) on farm and that we have control over how the animals are raised and transported. They're quite impressed that we're able to show this.

There are some interesting developments in the pipeline for AgManifest. The first is that we're working to get a lot of the mandatory CFIA documents entered into the system. Another long-term project is to link disease status to barns. This will make AgManifest even more valuable to users. I've even been contacted by packers in Quebec who want to hear about our experience because they're interested in using it. We've been really happy to work with Ontario Pork to get AgManifest to this stage."

**Colleen Roehrig**  
Producer Services and Animal Welfare,  
Conestoga Meats

**GET INVOLVED >>**  
[ontariopork.on.ca/Producers/AgManifest](http://ontariopork.on.ca/Producers/AgManifest)

**IN 2018,**  
ONTARIO PORK INDUSTRY  
FROM **FARM-TO-FORK**  
GENERATED: >>



**GDP**  
(GROSS DOMESTIC PRODUCT)  
**876.8**  
MILLION DOLLARS

**ECONOMIC  
OUTPUT**  
**2.6**  
BILLION DOLLARS



# Swine Health Ontario

The possibility of a foreign animal disease outbreak, such as African Swine Fever (ASF), is a very real threat to the industry. Swine Health Ontario (SHO), an industry-wide steering committee, is taking the lead to improve and better coordinate the pork industry's ability to prevent, prepare for and respond to serious swine health threats in Ontario.

Working in close collaboration with industry stakeholders, SHO is building a comprehensive emergency response plan, using the Incident Management System, which will ensure that Ontario is adequately prepared should an outbreak occur.

"I was involved in Swine Health Ontario (SHO) from its inception for three years as a leadership team member. SHO assures that there is a coordinated response to any serious swine health issue. It was born out of an effective, but somewhat disorganized response to the PED outbreak of a few years back. A lot of groups did a lot of good work and we're certainly proud of what we accomplished in a few short years to beat that disease, but what was realized was

there were gaps and duplication. A lot of planning went into what the organization might look like. Now SHO represents all the different facets of our industry.

Another important initiative is the Ontario Swine Incident Command Centre. It's an important structure for improving industry response to disease incidents. We needed to be part of the communication solution with the government. That's why the command structure within SHO parallels government command centre models. We're involved in lots of conversations with government representatives on subjects such as border control for infectious diseases.

I am in the feed industry and our nutrition touches a lot of pigs so I know how important this is to everyone. Every year I'm more and more comfortable with what we've accomplished. There was a time when there was no communication with the government, but now, communication has never been better. I expect SHO to play a significant role in the industry for years to come."

#### Jay Squire

Swine Division Manager,  
Wallenstein Feed and Supply Ltd.

*"SHO assures that there is a coordinated response to any serious swine health issue."*

FIND OUT MORE >>

Visit [www.swinehealthontario.ca](http://www.swinehealthontario.ca)



IMPORT  
& EXPORT  
ONTARIO  
JAN-OCT 2019



IMPORTS  
(METRIC TONNES)

124,774

VALUED AT \$685,000,000

EXPORTS  
(METRIC TONNES)

178,756

VALUED AT \$521,000,000







# Brand and Reputation

**Building consumer confidence and strengthening Ontario Pork's reputation help to ensure a healthy, sustainable future for this industry.**

Our retail and food service branding program, social media contests, partnerships with chefs and influencers, advertising campaigns and food-focused events help make Ontario-grown pork a preferred protein option.

"I'll start by saying that I love pork. I also believe that – despite trends showing an increase in dining out – people enjoy the act of cooking. That's not going away and diners are looking at the nutritional panels. With today's pork you can get a reasonable portion and not have a ton of fat. Pork is also lighter tasting than many of its counterparts.

Regardless, whether you order out or learn to cook, pork is wildly affordable compared to other protein sources. Chefs have known this for years.

As well as economy, pork offers versatility. It gives you a total range of opportunities to cook. For example, with pork I can pan fry or saute dinner in 15 minutes. It adapts to so many styles – vindaloo, for example – and takes on flavours easily.

Canadians are willing to try things; they are accepting of the foods of friends and colleagues. Look in your kitchen cupboard. You've probably got five times as many ingredients as you did 15 years ago, and this wide variety of ingredients is easily available. So is pork. Ontario pork is easily available whether you go to the supermarket or use your favourite butcher as I do. I think it's the perfect time for pork."

**Michael Olson**  
Chef, educator, author

**FIND OUT MORE >>** [ontariopork.com/recipes](http://ontariopork.com/recipes)

*"Pork offers versatility. It gives you a total range of opportunities to cook."*



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SHOWCASING  
**ONTARIO  
PORK TO**

**82,000**  
MORE CONSUMERS  
YEAR OVER YEAR

AUDIENCE  
REACHED  
BY ADS >>

PRINT  
ADVERTISING

**9.9**  
MILLION  
READERS



DIGITAL  
ADVERTISING

**45.6**  
MILLION  
IMPRESSIONS





*“I believe that education is the key. Knowledge is power.”*

# Education and Outreach



“I believe that education and experiential learning are the key to knowledge and knowledge is power. The current disconnect between producers and consumers concerning what really happens on livestock farms has attributed to some of the misunderstanding, misinformation and uncertainty that exists within the hearts and minds of many consumers today. My reason for doing ag education is to build trust. By being warm, open and honest, I can hopefully dispel some of the myths and misunderstandings people may have. I am fortunate to have been involved in the livestock industry my whole life as well as having spent 32 years teaching in an urban setting. Hopefully, I can draw on my experiences and knowledge to affect the attitudes or knowledge base of those that may be generations removed from the farm. Livestock are an integral part of our ecosystem. We need the public to understand that. They need to see that bigger operations aren't less capable of looking after animals. Health protocols and behavioural management are key. It's not about the size. Outreach education with the PigMobile focuses on how a pig grows and changes in such a

short period of time. Our audience includes all walks of life and all ages. Visitors are generally amazed at the size of the animal. I explain that in 1975 it may have taken seven to eight months to get a pig to market weight. Now an animal can reach market weight as early as five months. Improved knowledge about nutrition, housing, genetics and animal behaviour account for this change.

I am often asked how we can slaughter animals we like. My answer is that food and animals have a purpose. I am their steward while they are in my care. When they leave my care, I need/have the confidence that they are being handled humanely. Farmers care about their animals and about the world in which they live. Are we perfect – no, but most of us are always trying to leave this world in a better condition than when we entered it.”

**Mary Ann Found**  
Pork farmer and educator

**Get Involved >>** [communications@ontariopork.on.ca](mailto:communications@ontariopork.on.ca)

**RETAIL  
BRAND  
PARTNERS  
INCREASED**



**47.3%**

**USE OF  
NEW RETAIL  
PROMOS**

FROM **69.2%**  
TO **90.0%**





# How to Get Involved

## Boards and Committees

**As a producer-led organization, Ontario Pork offers many opportunities for member involvement, including serving on the Board of Directors, or membership in board committees and advisory groups.**

The Board is responsible for strategic policy development, advocacy and government relations across a wide variety of policy issues that impact the industry and producers. Ontario Pork's committees and advisory groups help support broader collaboration among producers, staff and industry stakeholders to provide advice to the board and advance the industry.

"My husband got involved originally when he complained to Ontario Pork about how some things were being done and they said if you're not happy maybe you should sit on the board or a committee. My husband and I are true believers that if you want to make a difference or are not happy about how things are being done, be part of the change.

We wanted input into the programs and to see where the check-off dollars were being spent and try to give consumers more of an understanding of our industry. He got involved with the sustainability advisory group and I've been on the Research committee for the last three or four years and I love it. Organizations can't run without input from the members. I also now sit on the Program Development advisory group. I really enjoy being part of Ag in the Classroom in Lambton County, going into schools every year. I see how big an influence we can have.

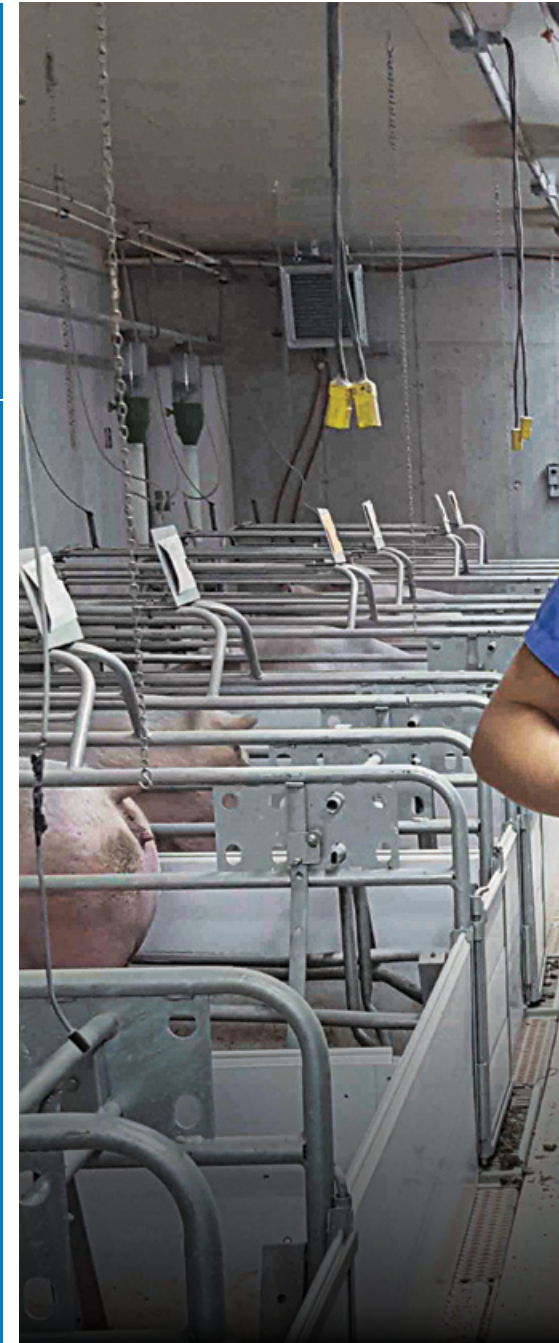
The first thing I would say to someone considering getting involved is, don't be afraid of the time and commitment. It's not that bad at all. If you have an opinion,

go and tell Ontario Pork. We can't expect them to understand what we're expecting out of them if we don't let them know. Another thing they should know is that your voice is welcome. I was pleasantly surprised that people are willing to listen and value my opinion. Even if you don't agree they still listen and you can present your case."

**Maaïke Campbell**  
Pork farmer, Lambton County

### **How to become a delegate or committee member >>**

Ontario Pork delegates and board members are elected by the producer body at local association meetings. Members interested in serving on board committees or advisory groups should contact Ontario Pork.





*“The first thing I would say to someone considering getting involved is, don’t be afraid of the time and commitment.”*

## Board Standing Committees

### AUDIT

Eric Hartemink (Chair)  
Doug Ahrens  
Teresa Van Raay  
Ex-officio: Eric Schwindt

### RESEARCH

Arno Schober (Chair)  
Oliver Haan  
Chris Cossitt  
John Otten  
Rod de Wolde  
Tim Blackwell  
Maaïke Campbell

### RESOLUTIONS

Mike Mitchell (Chair)  
Teresa Van Raay  
Polly Hoekstra  
Phil Van Raay  
Craig Hulshof  
Ex-officio: John de Bruyn

### INTERNAL SWINE RESEARCH FACILITY

John de Bruyn (Chair)  
Arno Schober  
John Rheume  
James Reesor  
John Otten

### SWINE RESEARCH FACILITY STEERING COMMITTEE

Eric Schwindt  
Oliver Haan  
Ken Ovington  
Jim Weir

### Advisory Groups

#### RISK MANAGEMENT

Doug Ahrens (Chair)  
Eric Hartemink  
Steve Illick  
Rob McDougall  
Wouter Van Leeuwen  
Bruce Clark  
Jim Weir

#### SUSTAINABILITY

Mike Mitchell (Chair)  
Arno Schober  
Lloyd Holbrook  
Lyle Campbell  
Ernst de Freese  
Frank Wood

#### BOARD MEETING PROCESS COMMITTEE

Mike Mitchell (Chair)  
Arno Schober  
John De Bruyn

#### PROGRAM DEVELOPMENT

Chris Cossitt (Chair)  
Oliver Haan  
Teresa Van Raay  
Dianne Brekelmans  
Maaïke Campbell  
TJ Murray  
Tanya Terpstra  
Frank Wood  
Stacey Ash

#### POLITICAL STRUCTURE REVIEW COMMITTEE

Arno Schober  
Eric Schwindt  
Mark DeJong  
Tara Terpstra  
Blair Cressman  
Shaun Ball



# Leadership and Involvement

Ontario Pork recognizes the importance of identifying and developing future leaders in the industry.

The leadership training course is uniquely designed for those looking to become effective advocates for the pork industry. The program consists of six modules, including corporate governance and organizational structure, media training, policy development, strategic thinking, value-chain tour and government relations. In 2019, 10 individuals completed the program.

“The Leadership program is a great opportunity for both networking and education. It’s hosted in Guelph at the Ontario Pork office. My experience started off with a couple of guest speakers. We learned how different people, say a 50 year old vs 30 year old, interpret things such as money. It all related back to employees

and most of us have employees so that was valuable information. Then we addressed policy and how it’s created. A lot of people think they understand, but there’s a lot more to it. We had a day with a couple of board members and did some of our own mock rulings where we would come up with problems, have a board meeting and vote on it.

We went to Queen’s Park and met with the Minister of Agriculture and Minister of Education and toured Queen’s Park. Then we went on the value chain tour. That was really interesting. We visited a restaurant and the Conestoga packing plant. It’s great to see how we’re connected to the end consumer. We also received media training which was fantastic. The benefits

are immeasurable and not even necessarily just dealing with the media but how you talk to people in general and how things can be interpreted.

The leadership program was my first experience with Ontario Pork. It opened my eyes to the opportunity and the need. There’s a lot of work being done behind the scenes and they always need somebody to fill the seats. That’s why I joined the Program Development advisory group... I think the Leadership Training is a win-win for the organization and the individual.”

**TJ Murray**  
Pork farmer, Oxford County

*“It opened my eyes to the opportunity and the need.”*

**GET INVOLVED >>** For more information or to get involved contact Olga Klashtorny at [olga.klashtorny@ontariopork.on.ca](mailto:olga.klashtorny@ontariopork.on.ca)

FROM:  
**CANADA**  
**91**  
COUNTRIES



**NUMBER  
OF COUNTRIES  
PORK IS EXPORTED TO  
IN 2019**



FROM:  
**ONTARIO**  
**48**  
COUNTRIES



# Producer Engagement

**Ontario Pork works closely with producers and other industry stakeholders to come up with meaningful solutions to issues directly affecting the industry.**

Local association meetings, the annual meeting, zone meetings and Policy Day offer opportunities for members to exchange ideas on pressing industry issues.

“The first 15 years we were in operation we always felt that the industry moved around us and we weren’t a part of it. Then in 2015 we were building our barn to the new pig code and other farmers were very supportive. We contacted them and they welcomed us with open arms. They took us through their operations and practically held our hand. We also got lots of help from our industry partners such as our feed salesman and our genetics salesman who went above and beyond to help get us started.

We don’t get to these places by ourselves, so we thought it might be our opportunity to be more involved. Once you figure out how to make time for these activities, it opens up the industry to you. We discovered we had a lot to learn. I got more involved in Ontario

Pork and signed up for the leadership program. My husband and I divide and conquer. Dennis is a delegate, and goes to all of the local meetings. I join him at the annual meetings. It’s a chance to share concerns and learn from one another. We all have many of the same struggles caring for livestock, and there’s always someone from the board present to share information.

I understand livestock is 24/7 and we need to find a balance between farming and being active in the industry. There are fewer people in the business, and now, more than ever, we have to work together to meet the challenges in the industry. Knowledge is wealth and the more we’ve learned the more successful we’ve been.”

**Tara Terpstra**  
Pork farmer, Huron County



*“Livestock is 24/7 and we need to find a balance.”*



# Independent Auditor's Report

To the Members of: The Ontario Pork Producers' Marketing Board

## Opinion

We have audited the accompanying financial statements of The Ontario Pork Producers' Marketing Board, which comprise the general account consolidated statement of financial position and the trust account statement of financial position as at November 30, 2019 and the consolidated statements of operations, changes in net assets 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 consolidated financial statements present fairly, in all material respects, the financial position of The Ontario Pork Producers' Marketing Board as at November 30, 2019 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 the organization 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated 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 consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at RLB LLP's website at: [www.rlb.ca/additional-auditor-responsibilities-consolidated](http://www.rlb.ca/additional-auditor-responsibilities-consolidated). This description forms part of our auditor's report.



**Chartered Professional Accountants**

Licensed Public Accountants

Guelph, Ontario

January 28, 2020



# Consolidated Statement of Operations

Year ended November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
<b>Revenue</b>		
Service fees - Universal Services	5,381,150	5,414,905
Service fees - Marketing Division	637,082	678,401
Interest	180,171	130,237
Government grants (Note 12)	40,196	4,240
Sundry	265,393	260,171
	<b>6,503,992</b>	<b>6,487,954</b>
<b>Expenses</b>		
Operations (Schedule A)	3,389,190	3,651,430
Consumer marketing (Schedule B)	653,909	699,169
Board secretariat (Schedule C)	708,190	727,878
Industry support (Schedule D)	1,493,002	1,665,591
	<b>6,244,291</b>	<b>6,744,068</b>
<b>Surplus/(Deficit) of revenue over expenses before other items</b>	<b>259,701</b>	<b>(256,114)</b>
<b>Other income (expense)</b>		
Forward pricing (Note 6)	214,851	187,290
Net loss of In-Transit Loss account	-	(9,132)
	<b>214,851</b>	<b>178,158</b>
<b>Surplus/(Deficit) of revenue over expenses</b>	<b>474,552</b>	<b>(77,956)</b>

# General Account. Consolidated Statement of Financial Position

November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
<b>Assets</b>		
Current assets		
Cash	1,604,489	1,676,877
Temporary investments (Note 4)	6,457,749	6,463,033
Accounts receivable (Note 5)	201,423	278,124
Due from trust account	1,331,908	960,581
Prepaid expenses and supplies	426,873	300,066
Forward pricing assets (Note 6)	426,225	527,500
	<b>10,448,667</b>	10,206,181
Capital assets (Note 7)	<b>951,048</b>	994,097
	<b>11,399,715</b>	11,200,278
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	678,794	748,392
Government remittances payable	6,618	15,103
Research projects payable	624,280	755,943
Forward pricing liabilities (Note 6)	379,069	444,438
	<b>1,688,761</b>	1,963,876
<b>Net assets</b>		
Funds invested in capital assets	<b>951,048</b>	994,097
Unrestricted funds	<b>6,255,325</b>	5,958,503
Internally restricted fund for research (Note 8)	<b>494,388</b>	340,514
Internally restricted fund for special projects (Note 9)	<b>2,010,513</b>	1,969,574
Unrealized loss on investments	<b>(320)</b>	(26,286)
	<b>9,710,954</b>	9,236,402
	<b>11,399,715</b>	11,200,278

# Consolidated Statement of Changes in Net Assets

Year ended November 30, 2019 and December 1, 2018

	Beginning balance	Surplus/ (Deficit) of revenue over expense	Net transfers	Unrealized gain on investments	Acquisition of capital assets	Ending balance
	\$	\$	\$	\$	\$	\$
Invested in capital assets	994,097	(94,577)	-	-	51,528	951,048
Unrestricted	5,958,503	569,129	(194,813)	(25,966)	(51,528)	6,255,325
Internally restricted						
For research (Note 8)	340,514		153,874		-	494,388
For special projects (Note 9)	1,969,574		40,939		-	2,010,513
Unrealized gain/(loss) on investments	(26,286)		-	25,966	-	(320)
<b>Total</b>	<b>9,236,402</b>	<b>474,552</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,710,954</b>



# Consolidated Statement of Cash Flows

Year ended November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
<b>Operating activities</b>		
Surplus/(Deficit) of revenue over expenses	474,552	(77,956)
Amortization of capital assets	94,577	111,068
Minority interest	-	(9,132)
Change in non-cash operating working capital	(595,273)	321,190
	(26,144)	345,170
<b>Investing activities</b>		
Decrease/(Increase) in temporary investments	5,284	(116,495)
Purchase of capital assets	(51,528)	(59,114)
	(46,244)	(175,609)
Net (Decrease)/Increase in cash	(72,388)	169,561
Cash, beginning of year	1,676,877	1,507,316
<b>Cash, end of year</b>	<b>1,604,489</b>	<b>1,676,877</b>
<b>Changes in non-cash operating working capital of:</b>		
Accounts receivable	76,701	(73,714)
Due from trust account	(371,327)	162,604
Forward pricing assets	101,275	(316,389)
Forward pricing liabilities	(65,369)	325,691
Prepaid expenses and supplies	(126,807)	(13,169)
Other Current liabilities	(209,746)	236,167
	(595,273)	321,190

# Trust Account Statement of Financial Position

November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
<b>Assets</b>		
Cash	1,457,766	1,280,275
Accounts receivable from processors	3,416,695	2,431,222
	<b>4,874,461</b>	<b>3,711,497</b>
<b>Liabilities</b>		
Due to general account	1,331,908	960,581
Payable to producers, transporters and others	3,542,553	2,750,916
	<b>4,874,461</b>	<b>3,711,497</b>

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## Notes to the Consolidated Financial Statements

November 30, 2019

### 1. Nature of operations

The Ontario Pork Producers' Marketing Board ("Ontario Pork") represents Ontario's pork producers. Ontario Pork provides universal services to all producers. Additionally, Ontario Pork provides a marketing option that includes centralized selling to processors and settlement to producers and transporters for those producers who wish to use the service.

As Ontario Pork is an agricultural organization, from which no part of the income is available for the personal benefit of any member, it is exempt from income tax pursuant to Section 149(1)(e) of the Income Tax Act.

The Farm Products Marketing Act, Regulation 400 Section 9 (b) requires Ontario Pork to maintain separate accounts for the deposit of (i) money received by the local board in trust for any other person and (ii) levies or charges imposed by the local board pursuant to powers exercised under authority granted under the Agricultural Products Marketing Act (Canada). The Trust Account Statement of Financial Position (non-consolidated) reflects all monies received from the sale of hogs on behalf of producers and the distribution of monies to producers after deducting all charges and necessary and proper disbursements and expenses.

### 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) Principles of consolidation

The consolidated financial statements include the general and trust accounts of Ontario Pork. The Ontario Pork Grading Authority (OPGA) is a controlled entity of Ontario Pork. However, the accounts of the OPGA have not been included in the accompanying financial statements. Consequently, the accounts of the OPGA have been disclosed in the accompanying notes to these financial statements (Note 17).

#### b) Revenue recognition

Ontario Pork follows the restricted fund method of accounting for contributions. Revenues in the form of fees from producers are recorded when services are performed. Restricted contributions are recognized as revenue in the year the related expenses are incurred. Unrestricted contributions, interest income and sundry income are recognized as revenue

when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**c) Forward Pricing Program**

Ontario Pork offers a Forward Pricing Program to producers which enables producers to establish firm prices for future shipments of hogs.

Prices are based on the prices in effect at the Chicago Mercantile Exchange for future shipments and producers may arrange this coverage for any number of hogs based on their own expected shipments.

Ontario Pork contracts with the producers and enters into Lean Hog and Canadian Dollar contracts with the Chicago Mercantile Exchange.

Ontario Pork constantly monitors contracts with producers and the Chicago Mercantile Exchange to ensure that risks are offset and no significant speculative positions are taken.

**d) Financial instruments**  
**Measurement of financial instruments**

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for temporary investments, forward pricing assets and liabilities which are measured at fair value. Changes in fair value are recognized in the consolidated statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and research projects payable.

**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 the consolidated statement of operations. 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 the consolidated statement of operations.

**Transaction costs**

The organization recognizes its transaction costs in the consolidated statement of operations 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.

**e) Effective interest method**

Ontario Pork uses the effective interest method to recognize interest income or expense which includes premiums or discounts earned or incurred for financial instruments.

**f) Derivative financial instruments**

Derivative financial instruments are recognized on the consolidated statement of financial position at their fair value with changes in fair value recognized in the consolidated statement of operations.

**g) Foreign currency**

Monetary assets and liabilities are translated using the rate of exchange in effect at the end of the year. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average exchange rates prevailing during the year, except for amortization, which is translated at historical rates. Exchange gains or losses are shown in Schedule A.

**h) Impairment of long-lived assets**

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

**i) Capital assets**

Capital assets are recorded at historical cost. Computer software is expensed in the year of purchase.

Amortization is provided in order to write off the cost of these assets over their estimated useful lives using the following rates and methods:

Asset Type	Amortization Rate
Buildings	5% declining-balance
Building improvements for leased premises	Term of lease (5 years)
Promotional vehicles	30% declining-balance
Computers purchased after 2001	3-year straight-line
Other computer systems	33% declining-balance
Office furniture and equipment	20% declining-balance
Office furniture and equipment after 2014	5-year straight-line

**j) Research**

Ontario Pork expenses the full cost of research projects in the period it commits the funds for specific projects. Unspent funds are recorded as research projects payable.



**k) Net assets internally restricted for research**

A set amount of the annual service fee is designated for research. Any unspent amounts are internally restricted for research and are only transferred to unrestricted net assets when the research expenditures have been incurred. The management of Ontario Pork may not use these internally restricted amounts for any other purpose without the approval of the board of directors.

**l) Net assets internally restricted for special projects**

Ontario Pork established a reserve for special projects. To be eligible for funding from this reserve, projects must benefit all Ontario pork producers, be separate from the daily activities of Ontario Pork, have the ability to leverage matching funds from other sources and have the potential for providing a return on investment. These internally restricted amounts are not available without prior approval of the board of directors.

**m) Grants**

Government grant revenue and expense are recorded as the related projects are completed, grant approvals are received and collection is reasonably assured. Government grants related to assets are recorded as reductions in the related assets.

**n) Use of estimates**

In preparing Ontario Pork's financial statements in accordance with Canadian accounting standards for not for profit organizations, management is required 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 reported amounts of revenue and expenses during the period. Significant estimates used within these financial statements include amortization of capital assets and accrued liabilities. Actual results could differ from these estimates.

**o) Fiscal year-end**

Ontario Pork's year-end is the Saturday closest to November 30.

### 3. Marketing division

Ontario Pork has administratively and physically separated the operating facilities of the Ontario Pork Universal Services Division and the Ontario Pork Marketing Division. This separation includes maintaining confidential pricing and financial information of the Marketing Division. Direct expenses are charged to the Marketing Division, while shared expenses are allocated to ensure they accurately reflect the costs incurred to operate the respective divisions. Ontario Pork has consulted with the Ontario Farm Products Marketing Commission which has accepted this approach as reasonable.

The revenue information for the Marketing Division is disclosed separately. The balance of the financial information of the Universal Services and Marketing Divisions is reported in aggregate in these consolidated financial statements.

## 4. Temporary investments

	2019	2018
	\$	\$
Bonds and guaranteed investment certificates held in Canadian funds, valued at market, bearing rates varying from 1.40% to 3.01%. (2018 - 1.40% to 3.00%)		
General Account	6,457,749	6,463,033

## 5. Accounts receivable

	2019	2018
	\$	\$
Trade	177,605	264,720
Other	23,818	13,404
Grants	-	-
	201,423	278,124

## 6. Forward pricing assets and liabilities

Ontario Pork has entered into foreign currency contracts and lean hog contracts with an independent broker and with producers as previously described in the Forward Pricing Program policy included in Note 2 (c). Included in Forward Pricing liabilities are foreign currency contracts and lean hog commodity contracts with a net market value of \$379,069 (2018 - \$444,438). Included in Forward Pricing assets is the net position of contracts held with producers relating to the Forward Pricing Program with a total market value of \$426,225 (2018 - \$527,500).

	2019	2018
	\$	\$
Realized gain	162,175	100,368
Unrealized gain	47,155	83,062
Forward pricing fees/other	5,521	3,860
<b>Forward pricing gain</b>	<b>214,851</b>	187,290

## 7. Capital assets

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
	\$	\$	\$	\$
Land	205,445	-	205,445	205,445
Buildings and building improvements	1,700,513	1,036,726	663,787	698,723
Promotional vehicles	30,024	29,931	93	133
Computers and computer systems	2,621,251	2,572,732	48,519	53,205
Office furniture and equipment	635,059	601,855	33,204	36,591
	5,192,292	4,241,244	951,048	994,097

## 8. Internally restricted fund for research

	2019	2018
	\$	\$
Balance, beginning of year	340,514	357,259
Amounts assessed in service fees transferred into the fund during the year	565,878	569,510
Grant amounts transferred into fund during the year (Note 12)	40,196	4,240
Rescinded research projects	158,696	-
Research expended (Note 12)	(361,890)	(339,469)
Research other expense	(249,006)	(251,026)
<b>Balance, end of year</b>	<b>494,388</b>	<b>340,514</b>
Industry research expense recorded in Schedule D is comprised of:		
Rescinded research projects	158,696	-
Research expended (Note 12)	(361,890)	(339,469)
Research other expense	(249,006)	(251,026)
<b>Total research expense</b>	<b>(452,200)</b>	<b>(590,495)</b>

## 9. Internally restricted fund for special projects

	2019	2018
	\$	\$
Balance, beginning of year	1,969,574	1,933,047
Expended	-	-
Amounts transferred into the fund during the year (Interest)	40,939	36,527
<b>Balance, end of year</b>	<b>2,010,513</b>	<b>1,969,574</b>

## 10. Toronto Stockyards Land Development Fund

	2019	2018
	\$	\$
Balance, beginning of year	-	-
Amounts transferred into fund during the year	221,265	217,087
Funds expended	(221,265)	(217,087)
<b>Balance, end of year</b>	<b>-</b>	<b>-</b>

The amount received during the fiscal year is included in sundry revenue in the consolidated statement of operations.

In 2003, the board of directors established an internally restricted fund dedicated to research, development and industry education and approved the transfer of funds received from the Toronto Stockyards Land Development Board to this fund. A portion of these funds was used in 2019 for industry outreach events, swine research and health issues.

## 11. Credit facility agreement

Ontario Pork has entered into one credit facility agreement with a Canadian financial institution, facility (1). Facility (1) includes an unsecured authorized operating line of credit of up to \$3,500,000 due on demand. Canadian and US dollar advances on facility (1) bear interest at prime plus 0.30%. At year-end, draws on facility (1) are \$Nil (2018 - \$Nil) and there were no draws on the facility during the year.

## 12. Government grants and research expenditures

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		2019	
		Government grants	Research expenditures
		\$	\$
Economics	-	-	-
Innovation	-	-	-
Production	-	-	287,774
Social trends and perception	32,756	66,676	
Other	7,440	7,440	
	40,196	361,890	

		2018	
		Government grants	Research expenditures
		\$	\$
Economics	-	79,175	
Innovation	-	45,000	
Production	-	187,294	
Social trends and perception	4,240	28,000	
Other	-	-	
	4,240	339,469	

Government grants in 2019 were funded through, in part, the Canadian Agricultural Partnership, a federal-provincial-territorial initiative. These amounts are included in government grants in the consolidated statement of operations.

## 13. Grants

a) Included in animal care expenses reported in Schedule D is a membership fee of \$35,000 (2018 - \$35,000) to Farm and Food Care.

b) Grants and memberships reported in Schedule D consist of the following:

	2019	2018
	\$	\$
OAC Awards Committee	500	500
Ontario Agri-Commodity Council	1,000	1,000
OAC Swine Club	2,200	3,000
Ontario Agricultural Hall of Fame	1,000	1,000
Ontario Federation of Agriculture	500	3,500
Ontario Junior Barrow Show	3,000	3,000
Ontario Independent Meat Processors	1,750	1,750
Presidents' Council	400	300
Sundry	7,200	7,400
	17,550	21,450

	2019	2018
	\$	\$
General fees	877,164	882,397

## 14. Canadian Pork Council

The Canadian Pork Council (CPC) assessments are based on the number of pigs subject to provincial levies. This includes export weanling and feeder pigs in addition to slaughter animals. In 2019, the CPC funding was \$0.155 for market hogs and \$0.033 for weanling and feeder pigs exported (2018 - \$0.155 and \$0.033 respectively).



## 15. Defined contribution pension plan

The salary and employee benefits (Schedule A) includes the total plan expense for the organization's defined contribution pension plan as follows:

	2019	2018
	\$	\$
Defined contribution pension plan	99,331	104,990

## 16. Commitments

Ontario Pork leases office equipment with future minimum annual payments as follows:

	2019
	\$
2020	21,989
2021	21,989
2022	16,040
2023	5,301
2024	4,030
<b>Total</b>	<b>69,349</b>

## 17. Ontario Pork Grading Authority

Ontario Pork has delegated its authority for the grading of hogs to the Ontario Pork Grading Authority (OPGA), an independent not for profit organization. The OPGA provides a grading system and health data collection services. Ontario Pork producers maintain a 50% interest in the net assets of this organization. The other 50% interest is shared by two larger processors. The organization is governed by a five-member board consisting of two representatives from federal processing plants in Ontario, one representative from the Ontario Independent Meat Processors Association and two representatives from Ontario Pork. Ontario Pork also provides office and administration services to the OPGA. The financial statements of the OPGA are not consolidated in the financial statements of Ontario Pork. The following are the assets, liabilities, revenues and expenses from the audited financial statements of the OPGA for the year ended September 30, 2019.

	2019	2018
	\$	\$
Assets	387,834	345,331
Liabilities	45,153	52,741
Net assets	342,681	292,590
Revenues	748,487	642,552
Expenses	698,396	631,069
Excess of revenue over expenses	50,091	11,463
<b>Supplemental cash flow information</b>		
Cash flows derived from/(used by):		
Operating activities	65,931	24,385
Investing activities	-	-
Financing activities	(43,859)	(1,869)
Increase in cash	22,072	22,516
Cash, beginning of year	67,182	44,666
<b>Cash, end of year</b>	<b>89,254</b>	<b>67,182</b>

## 18. 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 its financial instruments.

The extent of the organization's exposure to these risks did not change in 2019 compared to the previous period.

Transacting in financial instruments exposes the organization to certain financial risks and uncertainties. These risks include:

### Currency risk

Ontario Pork realizes a portion of its transactions in USD and is exposed to foreign exchange fluctuations. At year-end, USD cash balances total USD \$869,986 (2018 – USD \$595,623). All balances are recorded in Canadian dollars at year-end at an exchange rate of 1.3283 (2018 – 1.3292).

### Credit risk

Credit risk is the risk that counterparties fail to perform as contracted. Ontario Pork is exposed to credit risk through its trade accounts receivable and the Forward Pricing Program. Ontario Pork is exposed to a concentration of credit risk, as are all customers in the meat packing industry.

## Consolidated Schedule of Operations Expenses - Schedule A

Year ended November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
Amortization - capital assets	94,577	111,068
Audit fees	49,945	52,895
Bank charges	18,468	18,085
Cleaning	27,642	27,487
Computer software, supplies and internet	51,938	59,403
Consulting - information systems	17,062	23,457
Consulting - other	197,362	244,786
Courier	21,478	24,371
Dues and subscriptions	10,228	11,259
Exchange loss/(gain)	12,438	(35)
Forward pricing costs	17,589	11,133
General office and other	31,619	51,282
Insurance	43,888	47,096
Legal fees	101,437	86,695
Light, heat and water	19,127	26,516
Machine and systems rental	13,487	13,487
Postage	28,066	31,556
Realty taxes	59,617	57,176
Repairs and maintenance	61,210	65,719
Salaries and employee benefits (Note 15)	2,275,916	2,457,105
Stationery and supplies	35,970	31,273
Telephone	42,294	42,725
Training and professional development	31,960	21,946
Travel	125,872	134,945
	3,389,190	3,651,430

## Consolidated Schedule of Consumer Marketing Expenses - Schedule B

Year ended November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
Advertising/other	332,299	406,510
Consumers' events	62,174	48,416
Education	90,472	39,543
Promotion - retail trade	24,221	31,195
Public relations	85,808	130,671
Retail and nutrition promotion	58,935	42,834
	653,909	699,169

## Consolidated Schedule of Industry Support Expenses - Schedule D

Year ended November 30, 2019 and December 1, 2018

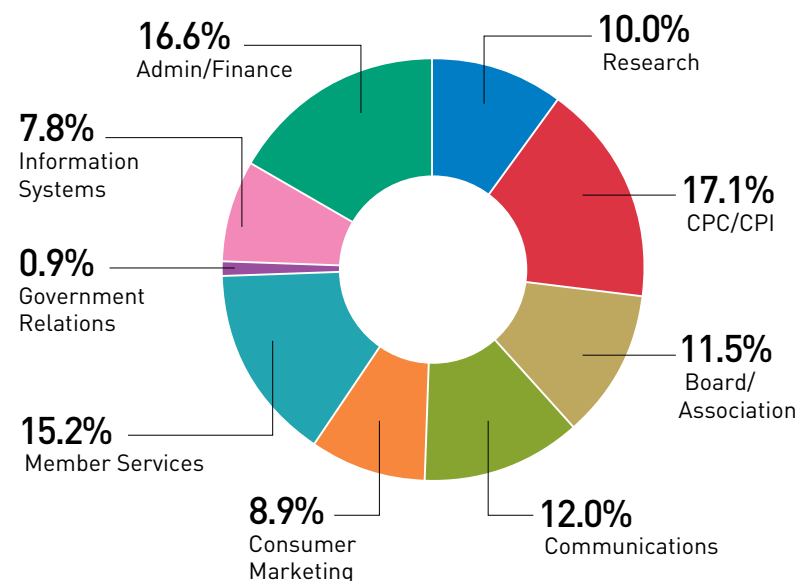
	2019	2018
	\$	\$
Animal care (Note 13)	48,437	49,063
Canadian Pork Council (Note 14)	877,164	882,397
Foodbank	13,217	22,970
Grants and memberships (Note 13)	17,550	21,450
Ontario Pork Congress	13,521	19,166
Research (Note 8)	452,200	590,495
Swine Health Ontario	70,913	80,050
	1,493,002	1,665,591

## Consolidated Schedule of Board Secretariat Expenses - Schedule C

Year ended November 30, 2019 and December 1, 2018

	2019	2018
	\$	\$
Delegates' remuneration	133,920	124,748
Directors' expenses	100,152	111,581
Directors' remuneration	223,363	219,943
General office and other	385	430
Grants - counties	65,193	89,934
Liability insurance	8,100	8,100
Meetings - annual and other	121,263	119,197
Salaries and employee benefits	55,814	53,945
	708,190	727,878

## 2019 Expense Breakdown







ONTARIO PORK

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