



**Ontario Sheep**  
FARMERS

**Annual Report 2023-24**

**Towards a Stronger Future**



# A Message from the Chair & Executive Director

This was a year of priority setting by a board that was collaborative and forward-looking. Thank you to the board for your leadership and your hard work this year.

At the beginning of the fiscal year, the board set a theme to guide our decision-making: Towards a Stronger Future. This theme set the tone for the meeting in December 2023 when the board prioritized market development and market research initiatives and communicated the goal of a clear and measurable return on investment to producers for all organizational initiatives.

At the District AGMs, in our Year in Review article in the fall Ontario Sheep News and in our Annual Report, we have shared the depth and breadth of work completed by OSF in 2024 under each of our strategic pillars. For those unable to attend your district AGM, the recorded presentation is available on the OSF YouTube channel.

This year will focus on the return on investment to producers that we achieved in the 2023-24 fiscal year. Under our Community Pillar, the goal is to continue building relationships with our sheep industry stakeholders and our government representatives. Our board acknowledged that the sheep industry lacked cohesiveness and began to lay the groundwork in 2023-24 for future collaboration. We also prioritized collaboration with our provincial commodity board partners.

This year, through our advocacy involvement as a sheep industry, the modernization of the Veterinarians Act included a clause to allow sheep pregnancy ultrasound without the oversight of a veterinarian. We also participated in the creation of the new Agricultural Research and Innovation Ontario (ARIO) Act to advance research for sheep.

OSF also established a new Stakeholder Committee to include organizations working with sheep producers in Ontario in priority setting discussions for the sheep industry. The group currently includes the Large Flock Operators, the Ontario Lamb Producers' Caucus, Western Ontario Lamb Producers Association and the Next Generation Canadian Lamb Producers' group has been invited.

The Prosperity Pillar was where the OSF board saw our growth opportunity in fiscal 2023-24. There were three key investments made this year in market research, promotion and engagement. OSF invested in an International Market Research Project to better understand our ethnic consumers' relationships with Ontario lamb. This project has identified specific consumer groups in Ontario with an affinity for lamb, market characteristics for each group and potential marketing paths. The board will develop future promotional initiatives from the outcome of this project to cultivate a deeper relationship with the consumers of our products.

The goal of OSF's summer lamb BBQ promotion in summer 2024 was to determine whether promotion through hyper-targeted social media resulted in an increase in retail sales. The social media campaign achieved over 1.5 million views over the four weeks of the campaign and the data from the stores shows a small increase in sales compared with previous time periods. The learning from the promotion was that social media may influence buying behaviour, but it does not produce directly measurable results at retail. In future, we will be more successful when we combine social media promotion with in-store incentives like coupons and other purchased advertising at retail.

OSF engaged our processors and auctions individually in the fall of 2023 to learn more about their business goals and challenges and the opportunities they saw for the sector. We learned there is financial strain across all market segments and processors are adapting by developing direct to retail strategies, increasing custom slaughter to avoid the risk of condemnations and focusing on secondary processing opportunities. As a result of the industry engagement, OSF identified processors investing in their businesses and preparing for growth and created an industry working group that met in winter 2024 and will meet again this fall. The group will be working together on lamb market promotions for 2025, guided by the learning from

OSF's 2024 International Market Survey and the Summer BBQ Promotion.

The Mastery pillar had a dual focus this year – producer skills development and the creation of The Sheep Institute. OSF offered new skills development workshops in four locations – Rockwood, Norwood, Perth and Powassan. The sessions taught catch and restraint techniques, drenching and injection techniques, drench and vaccine equipment calibration, hoof trimming and breeding soundness evaluation of ewes. Overall, there was a great turnout of over 50 producers and evaluations achieved a 4.4 out of 5 for overall satisfaction.

The Sheep Institute has launched this fall and is now online at [TheSheepInstitute.ca](http://TheSheepInstitute.ca). This is a place where all the educational assets of OSF live under one banner. There are resources for new producers, intermediate producers, and experienced producers as well as self directed courses for all skill levels and specific interests.

The 2022 Master Shepherds Course wrapped up in February 2024 with 15 full-time participants completing the required modules to graduate. These producers will be presented with their course completion certificates at the 2024 OSF Banquet. OSF continues to accept applications for the next offering

scheduled to begin in January 2025. Under the Invest pillar, OSF prioritized the future needs of sheep farmers through research investments into parasite management options, nutritional supplementation and data collection supporting the environmental benefits of sheep grazing.

Investment in our members through engagement for learning and network building is a priority of OSF. This year we surveyed our members and learned that many producers do not attend OSF events because of the location of our meetings. That led us to develop a heat map to show the concentration of sheep farms across the province and help us identify locations for future events. This will also help our districts, and our staff locate skills workshops, district meetings and other events in the province in the future.

OSF conducted interviews with producers this year to better understand the challenges faced in the first 3-5 years of sheep production and how to overcome them. We interviewed new and experienced producers and those who have left the industry to identify opportunities for new educational and other resources. The goal is to develop business resources and improve outreach from OSF to support producers when their needs are greatest. The results of the survey highlight

a strong need for mentorship and guidance from knowledgeable producers, connections with industry experts for nutrition and animal health before purchasing a flock and financial tools to support efficiency and growth. Many of the producers shared that flock management tracking and investments in health and genetics were crucial to future success. Overall, most producers surveyed see significant opportunities in the sheep industry.

In Operations, OSF invested in our staff in 2024 to ensure their pay is competitive. With the addition of new projects and a focus on market development and member engagement, the staff have adapted well, and reporting will continue to focus on returns to producers.

Overall, our organization has prioritized collaboration, relationship building, engagement with members and measurable returns on organizational investments in 2023/24. We will continue to work together as a board, a staff team, and an industry to return value to our most important asset – our sheep farmer members.

Thank you to the board, the staff and to all our volunteers in our districts and from the grassroots. It has been a pleasure working with everyone in the sheep industry this year.



**Art Alblas**  
OSF Chair



**Erin Morgan**  
Executive Director

A handwritten signature in black ink, appearing to read 'Erin Morgan'.

A handwritten signature in black ink, appearing to read 'Erin Morgan'.

# Industry Overview

## Ontario Sheep Farmers

is a producer-led organization representing and advancing the sheep, lamb, and wool industries in Ontario. For 40 years, OSF has served as the unified voice for the province's sheep farmers, advocating for their interests and promoting industry growth.

## Our Vision

is to enable Ontario sheep producers to be the suppliers of premium lamb and sheep products.

## Our Mission

is to educate, innovate, and strategically advocate on behalf of our membership, while maintaining high standards of professionalism and leadership.

OSF enhances marketing efforts through producer education, promotional campaigns, and raising consumer awareness. Originally established in the 1970s as the Ontario Sheep Association, OSF continues to evolve to meet farmers' needs and strengthen the sector.

## Economic Impact

**3,000**  
sheep farmers

**285,000**  
lambs marketed

**\$100 million**  
farm cash receipts

**3,600**  
jobs created

**\$200 million**  
contributed to Canada's GDP

*Source: Statistics Canada*



# 2023-2024 Board of Directors



**Art Alblas**  
OSF Chair



**Ken Lamb**  
1st Vice Chair



**Karen Davis**  
2nd Vice Chair



**Jay Lennox**  
Director, District 2



**Keith Todd**  
Director, District 3



**Marusha Kostuk**  
Director, District 4



**Ryan Schill**  
Director, District 5



**Grant Cowan**  
Director, District 6



**Wesley Godden**  
Director, District 9



**Devon Wensink**  
Director, District 10



**Jenna Wight**  
Director, District 11

## Staff

**Erin Morgan**  
Executive Director

**Jennifer Johanson**  
Office Manager

**Mishka Morgan**  
Accountant

**Anita O'Brien**  
On-Farm Programs Lead

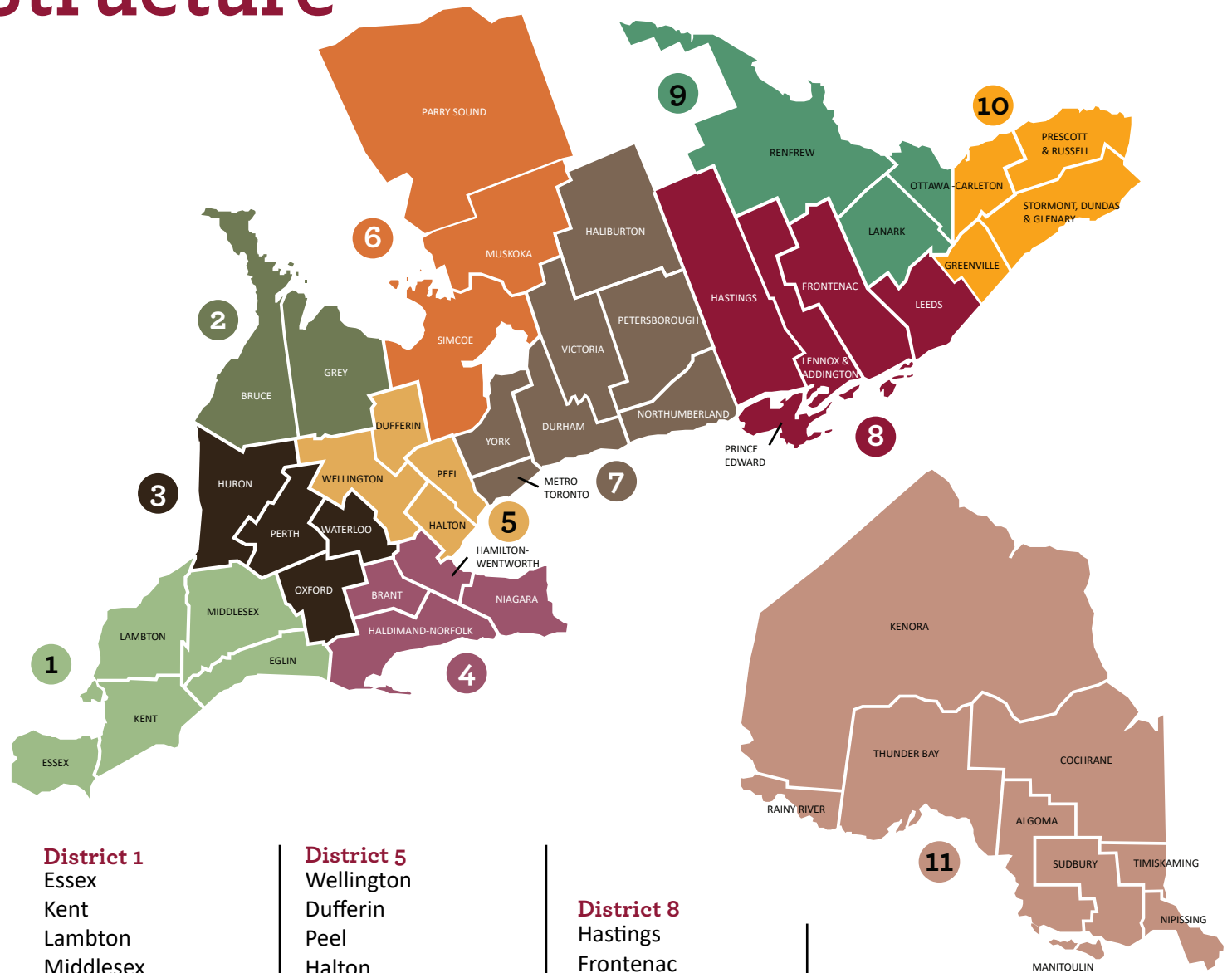
**Stacey Sage**  
Industry Relations Specialist

**Michael Richards**  
Sponsorship - Advertising Coordinator

**Jan Smith**  
Administrative Assistant

**Heather Johnson**  
Member Relations Coordinator

# Governance Structure



**District 1**  
Essex  
Kent  
Lambton  
Middlesex  
Elgin

**District 2**  
Bruce  
Grey

**District 3**  
Huron  
Perth  
Oxford  
Waterloo

**District 4**  
Haldimand-Norfolk  
Hamilton-Wentworth  
Brant  
Niagara

**District 5**  
Wellington  
Dufferin  
Peel  
Halton

**District 6**  
Simcoe  
Muskoka  
Parry Sound

**District 7**  
Metro Toronto  
York  
Durham  
Peterborough  
Victoria  
Northumberland  
Haliburton

**District 8**  
Hastings  
Frontenac  
Lennox & Addington  
Leeds

**District 9**  
Renfrew  
Lanark  
Ottawa-Carleton

**District 10**  
Ottawa-Carleton  
Stormont, Dundas & Glenary  
Prescott & Russell  
Greenville

**District 11**  
Kenora  
Rainy River  
Thunder Bay  
Cochran  
Algoma  
Sudbury  
Timiskaming  
Sudbury  
Nipissing

# Committees & Advisory Groups

Thank you to the volunteers and board members who have participated in committee meetings and the work of the committees this year!

Ontario Sheep Farmers offers many opportunities for producers to get involved and actively contribute to strengthening the sheep industry, through:

- Participating on district committees
- Volunteering as district chair and participating on the District Chairs' Committee to provide input into the Board's priorities and strategies
- Input into the Board's priorities and strategies
- Joining Ontario Sheep Farmers' committees or advisory groups dedicated to specific issues that impact the industry
- Engaging in advocacy efforts to support the industry's growth and competitiveness
- Supporting public engagement opportunities at fairs and consumer shows in your community
- Becoming an Ontario Sheep Farmers Board member to govern the organization and set industry priorities

## Board Standing Committees

Standing committees bring together the practical knowledge of producers and the technical expertise from staff and industry to generate innovative ideas. The Board establishes these committees to develop solutions to a specific issue.

### Audit & Finance

Ryan Schill (Chair)  
Devon Wensink  
Wesley Godden  
Ken Lamb  
Dennis Fischer  
Jason Emke  
Andrew Pearson  
Art Alblas (Ex-officio)

### Governance

Wesley Godden (Chair)  
Devon Wensink  
Karen Davis  
Jay Lennox  
Marusha Kostuk  
Keith Todd  
Art Alblas (Ex-officio)

### Dairy

Keith Todd  
Mike Thompson  
Mark Martin  
Willis Martin  
Jeff Cressman  
Andrew Pearson  
Peter van der Veen  
Rodney Weber  
Art Alblas (Ex-officio)

### Risk Management

Jay Lennox  
Ken Lamb  
Ryan Schill  
Dennis Fischer  
Art Alblas (Ex-officio)

### Vegetative Abatement

Devon Wensink  
Karen Davis  
Jay Lennox  
Ken Lamb  
Marusha Kostuk  
Art Alblas (Ex-officio)

### Director

**Recruitment**  
Karen Davis  
Ryan Schill  
Wesley Godden  
Jenna Wight  
Jay Mycroft  
Colleen Acres

### Research

Grant Cowan  
Jay Lennox  
Ryan Schill  
Art Alblas (Ex-officio)

### Maedi Visna

Keith Todd  
Ryan Schill  
Paula Menzies  
Rex Crawford  
Davor Ojickic  
Tim Pasma  
Mark Martin  
Kim Schneider  
Art Alblas (Ex-officio)

### Wool

Devon Wensink  
Grant Cowan  
Ken Lamb  
Romy Schill  
Ellen Edney  
Harriet Boon  
Jenny Carnaghan  
Helen Knibb  
Jane Underhill  
Art Alblas (Ex-officio)

### Marketing

Karen Davis  
Wesley Godden  
Keith Todd  
Ryan Schill  
Art Alblas (Ex-officio)

### Stakeholder Relations

Western Ontario Lamb Producers' Association  
Ontario Lamb Producers' Caucus  
Trillium Lamb  
Ontario Ministry of Agriculture, Food and Agribusiness  
Large Flock Operators  
Purebred Sheep Breeders of Ontario  
Dairy Sheep Co-op  
Next Generation Canadian Lamb Producers  
Ontario Sheep Farmers

# Marketing and Market Development

## Prosperity Pillar

### ***Building more dynamic market relationships with a focus on supply chain optimization***

This year, the board of directors prioritized promotion and market development by initiating three key projects:

- 1** Engaging comprehensively with processors and auctions, conducting an international market research study on lamb consumers worldwide
- 2** and its impact on Ontario, and launching a summer BBQ
- 3** Lamb promotion to assess how targeted social media efforts affect retail sales

## Processor and Auction Engagement

OSF held meetings with provincial auctions and processors to understand opportunities and challenges in the lamb marketplace and to foster collaboration among supply chain partners. Feedback from stakeholders led to initial meetings in winter 2024, focusing on the best technology applications for the industry and setting the groundwork for future discussions aimed at improving the marketplace collaboratively.

## International Market Research Study

OSF launched an international market research project funded by the Sustainable Canadian Agricultural Partnership program to identify opportunities in ethnic communities for lamb marketing. The project explores ethnic preferences, traditions, and culinary cultures related to lamb consumption among newcomers to Canada.

The research includes a global scan of regions that consume lamb and mutton, examining popular dishes, preferred cuts, and purchasing habits. This data was then aligned with Ontario's immigration demographics to highlight market opportunities among various ethnic populations. Interviews with industry leaders—including auctions, processors, retailers, and consumers—helped pinpoint premium market opportunities, with findings set to be shared with value chain partners for a coordinated marketing effort in 2025.

Based on Statistics Canada data, the largest ethnic groups in Ontario with a preference for lamb include those from Pakistan, Iran, Lebanon, Afghanistan, Egypt, Turkey, Iraq, Somalia, Syria, Ethiopia, Morocco, and Sudan. With ongoing immigration trends, these demographics are expected to represent a significant and growing market for Ontario's sheep producers.

The next phase involves developing a promotional strategy in collaboration with processors and auctions, targeting different demographic communities based on market size, accessibility, location, and purchasing power.





**Summer Lamb BBQ Project**

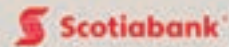
OSF conducted a summer BBQ lamb promotional pilot in 2024 to assess if targeted social media advertising could boost sales at specific Longo’s stores. The campaign ran for four weeks in July and August, featuring enticing videos and product shots of two Ontario lamb recipes promoted through Facebook, Instagram, and YouTube, specifically targeting nearby demographics.

During the two-week campaign, OSF tracked ad impressions, video completions, likes, saves, and website clicks. They also compared lamb sales at the two participating Longo’s stores with two control stores in the area. The campaign garnered 1.5 million views across social media platforms—1.3 million on Facebook and Instagram and 200,000 on YouTube. OSF reached 390,000 individuals on Facebook and Instagram at a cost of \$2.17 per thousand views, significantly lower than the \$3-8 industry average.

Although the YouTube ads were more expensive, 92% of viewers watched almost to the end, far exceeding the 32% industry average. The total social media investment was \$6,000, reaching nearly 400,000 people. Both Longo’s stores experienced a 2% sales increase compared to previous years, while control stores saw a 15% decline in one location and a 1% increase in another. While it’s unclear if the promotion solely drove sales, the results were promising, and future campaigns could be implemented at minimal cost since the video and photography assets are already available.



**Yield More Financing**

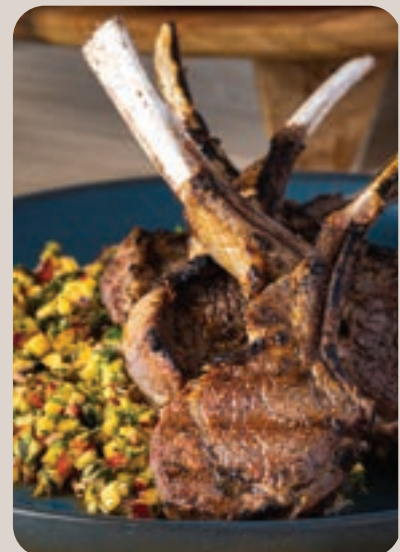


**30** sheep farmers are program approved

**42** payments processed

**\$1.2 million** in program approved credit

**\$850,000** borrowed



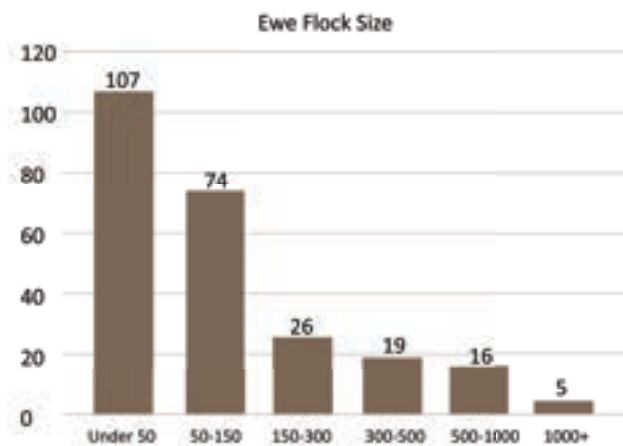
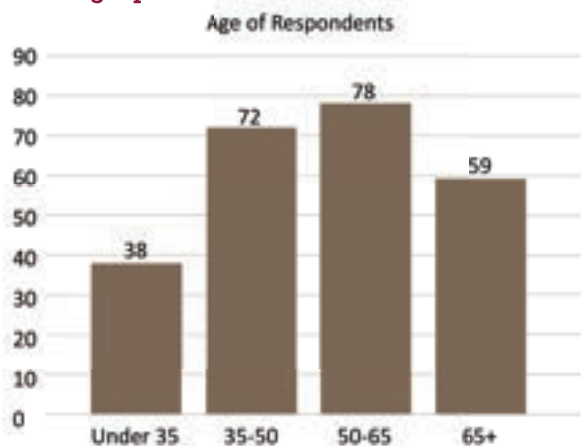
# Member Engagement

## Producer Survey Results

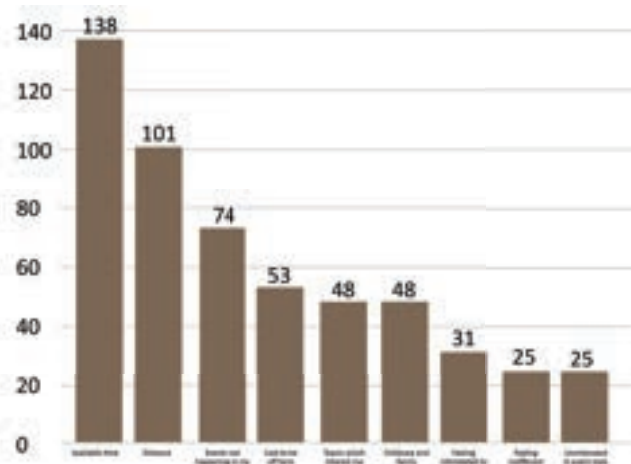
Ontario Sheep Farmers conducted a survey of our producers in spring 2024 and received 248 completed surveys. Thank you to all who participated – the responses are very balanced between districts.

The survey provided some insight into the current demographics of our membership, the level of engagement desired by members and the business supports required by members.

## Demographics



## Barriers to Entry



## Interviews with Early Producers

Many sheep producers comment on 3-5 years as the point in production where a producer makes the decision to stay in business or quit. OSF interviewed 14 producers at this critical juncture about the opportunities they saw in the industry and the challenges they were facing. Our organization wants to better understand how to better support producers at this point in production.

At the outset, the producers who were successful started with a business mindset and livestock experience and those that sold the sheep were mostly trying to reduce

### Identified opportunities for OSF to support sheep businesses

Business planning, market information, benchmarking and financing tools for profitability

Improving access to quality breeding stock for flock expansion

Increasing processing availability and capacity in the province and training for butchers specific to lamb

Promotion of lamb, wool and product innovations to the public

Connections to reliable information on management subjects such as nutrition, pasture management, worker training, out of season breeding and building construction

Increased access to veterinary products including approvals for new products in Canada and a reduction in costs for health testing programs

their taxes with a farm registration and had no previous experience.

Those remaining in the sheep business scaled quickly and sought support from other producers and professionals like veterinarians and nutritionists. Those who exited the industry had many challenges that included isolation, no knowledge of where to access support and no financial gain.

Overall, OSF has lots of very useful information from the interviews and will continue to develop resources for The Sheep Institute website targeting business planning and problem solving for the success of early producers.

# Communications Highlights

## Flock Talk Podcast

In November of 2023 Ontario Sheep Farmers introduced the first Flock Talk podcast. Since then, we have aired 48 episodes.

### Total Listens

**3,775** **6,059**  
Apple Music Spotify

### Total Views

**1,500**  
YouTube



## Social Media

### @OntarioSheep

**28,600** users reached  
on Instagram & Facebook

**70,000**  
views on YouTube  
& 145 subscribers

### @LambRecipes

**390,000** users reached  
on Instagram & Facebook

**7,500**  
views on YouTube  
& 3 subscribers

## Ontario Sheep News

OSN is read by producers, processors, auction markets, industry partners, sponsors and advertisers across Ontario.

**2,400** copies were distributed per edition in 2023-2024.

## Newsletter

The Messenger circulated to over

**1,295**  
subscribers four times per month.



# Advocacy

## **Building Public Policy and Public Trust Relationships**

Under the Community heading in the strategic plan, there are initiatives that address the goal of building public policy and public trust relationships.

This year we had many opportunities to meet with the Minister of Agriculture, the minister's staff and the team at the Ministry of Agriculture, Food and Agribusiness (OMAFRA). In June 2024, the government announced a change of agriculture minister from Lisa Thompson to Rob Flack. Since that date, OSF has had many opportunities to meet with Minister Flack and we will continue to cultivate a strong relationship with the minister and his staff. OSF worked well with Minister Thompson, and we wish her well in her new role as Minister of Rural Affairs.





The Ontario Agriculture Sustainability Coalition, including Grain Farmers, Beef Farmers, Fruit and Vegetable Growers, Pork and Veal Farmers, met with the minister several times throughout the year to advocate for more money for the Risk Management Program. We are optimistic about an increase in funding for this program in winter 2025.

Partnerships are important in the success of our advocacy efforts. Whenever possible, a united front as an agricultural sector and a livestock sector is important when requesting changes to health regulations, land use guidelines and farm programs so the ministry has clear guidance and assurance that changes will be met positively. OSF regularly meets with our livestock partners to discuss priorities and positions before consultations and meetings with the ministry.

There were two agricultural acts modernized in early 2024 – the Veterinarians Act and the ARIO Act. OSF was



very happy to see the provision in the Veterinarians Act allowing an exception from veterinary oversight for pregnancy ultrasounds performed on sheep. This was a priority for OSF members when surveyed about the proposed changes to the Act. We thank OSF members for participation in our survey and in meetings with MPPs in 2023 that led to our collective success.

The Agriculture Research Institutes of Ontario (ARIO) Act was also modernized in 2024. This act oversees the 14 research stations in Ontario including the Ponsonby sheep research station. The modernization of the Act was done so the scope of their research could broaden, and their oversight could be updated. For OSF, this has given us the opportunity to meet with our researchers and partners at the University of Guelph and the Ontario Veterinary College to discuss the future we want for the Ponsonby research station and a path to greater relevance in the agricultural sector.

# Investing in the Future

## Invest- Research and Development

**Building a system that identifies and supports the industry leadership we need now and into the future**

### Impact of Selenium (Se) Supplementation on Colostrum and Postnatal Health

This project, led by Dr. Niel Karrow and PhD student, Nicole Moran at the University of Guelph and utilizing the Ponsonby Sheep Research Station, assessed the impact of maternal dietary Selenium (Se) on colostrum quality and postnatal lamb robustness, growth and health.

Selenium is only found in low levels in Ontario soils, so Se supplementation is important to overall flock health. The study investigated the differences between organic and inorganic Se supplementation in late gestation.

The study learned that organic Se supplementation to ewes led to significantly higher serum Se concentrations compared to both inorganic Se supplementation and the Se deficient control group.

More information will be available when the study is complete and there are published results to share.



### Living Lab Ontario



OSF has invested in the Ontario Living Lab project led by Ontario Soil and Crop to accelerate the adoption of BMPs that sequester carbon, mitigate GHG emissions and support other environmental benefits through the process of co-development and testing on real farms. OSF will participate in the grazing objectives of the project to:

- Determine the impact of grazing cover crops on subsequent corn crop yield and soil health.
- Complete an economic analysis comparing annual forage grazing to existing methods of feeding beef cattle and sheep in the fall.
- Demonstrate the benefits of integrated crop-livestock systems (and promote awareness).
- Help increase discussion among farmers for opportunities of integrating livestock on annual cropland.

### Investing in Youth through 4-H

OSF, Canadian Sheep Breeders' Association and Masterfeeds have partnered with 4-H Ontario to update their resource manuals for Ontario sheep clubs. The two-year endeavour began in 2023 and will be complete in 2025. In the 4-H Sheep Project, participants learn how to handle and care for lambs and sheep, important tips on feeding and nutrition and sheep management, marketing tactics for various lamb and sheep products and how to show sheep in competition. Members of OSF and representatives from the sheep industry are on a committee that will review the content of the current resources and provide suggestions for improvement to 4-H Ontario.

### **Gastrointestinal Nematodes (GINs) in Sheep**

This year, OSF invested in a study characterizing the CarLA antibody response in sheep under controlled gastrointestinal nematode challenge simulating Canadian grazing conditions with Dr. Emma Borkowski. The study will address the control of gastrointestinal nematodes given the limited drench options available and the rising rates of drench resistance. To date, our results indicate that Ontario sheep with

higher carbohydrate larval antigen (CarLA) antibody shed fewer GIN eggs, and that the optimal time to select breeding stock based on CarLA antibody is at the end of their first grazing season. This project will further investigate the CarLA antibody response, which will further inform efforts to incorporate genetic selection for GIN immunity based on CarLA antibody in the Ontario sheep industry.

### **Exploring biosecurity knowledge, attitudes, and practices among sheep and goat producers**

Dr. Kelsey Spence and Dr. Charlotte Winder are conducting surveys of sheep and goat producers to identify how best to address potential barriers to biosecurity uptake and improve future knowledge translation efforts. Improved adoption of these practices will have wide ranging impacts, as many different diseases can be mitigated. Reducing the burden of disease on sheep and goat farms will improve public health, food safety, animal health, animal welfare, and farm productivity. The specific deliverables of the project

are: 1) a mixed methods dataset on current biosecurity practices used by sheep and goat producers; 2) the identification of any perceived barriers, and potential solutions to these barriers, as suggested by sheep and goat producers; 3) publication of open-access papers summarizing results from the study; and 4) creation of lay articles and presentations for industry groups to share information with knowledge users. The project will run over three years, and the results will be shared in 2026.



# Education

## Mastery Pillar – Professional Development

**Building a more effective business support system with a focus on professional development for sheep farming**

### The Sheep Institute



New in fall 2024 is the launch of The Sheep Institute. This website is a place where sheep farmers will find hundreds of industry resources from research results and info sheets to courses and articles. The content is for all producers including beginners and master shepherds. The focus for building content in 2024-25 will be increasing business resources including budgeting and planning tools.

### Congratulations to the Master Shepherd's Course Graduating Class of 2024!

12 fulltime students completed the Master Shepherd's course this summer that started in September 2022. Overall, the students completed 11 online course modules plus the final business planning module where students develop and present a business plan to their classmates. They will be joining the next class on the 2-day farm tour in September 2025.

### Master Shepherd's Course Details

The course was also offered on an individual module basis for those producers wanting to upgrade their knowledge base on select aspects of sheep production. Over the past two years, six students enrolled in a total of 16 individual modules.

### The course modules include:

- Industry Dynamics and Governance
- Flock Productivity and Reproduction
- Lambing and Lamb Rearing
- Business Planning, Ewe Flock Nutrition
- Pastures and Predation
- Genetic Improvement
- Infrastructure and Feeding Systems
- Effective Flock Health and Management
- Lamb Feedlotting and Dairy Sheep
- Sheep, Lamb and Wool Marketing
- Ewe Flock Nutrition

For producers enrolled in the full course, there is a twelfth module for Business Plan Presentations.





### Skills Development Workshops

This year, OSF offered new skills development workshops in four locations (Rockwood, Norwood, Perth and Powassan). They were offered as three concurrent sessions on catch and restraint techniques, breeding soundness evaluation of ewes, vaccination and drenching technique, and calibrating dosing equipment.

Over 50 producers attended and gave a 4.4 out of 5 overall satisfaction rating to the workshop organizers. The majority of attendees had sheep for fewer than 5 years and many traveled over an hour to join the workshop.



# Highlights of Farmer Events

Ontario Sheep Farmers attended multiple farmer events across all 11 Districts. Here are a few images from those who participated.



Canada's Outdoor Farm Show



Canada's Outdoor Farm Show



Sheep and Wool Ambassador Competition at the Royal Winter Fair



Royal Winter Fair Sheep Show



Promoting Wool



Earlton Farm Fair

# Consumer Facing Events and Promotions

Ontario Sheep Farmers actively engaged with the community through various consumer-focused events in 2023, such as the International Ploughing Match and the Elmira Maple Syrup Festival. These events provide a platform to promote Ontario lamb and educate the public about sheep farming.

In addition to these events, Ontario Sheep Farmers visited farms to capture 360-degree video content,

providing a virtual farm experience allowing the public to better understand the environment in which sheep are raised. We also produced cooking videos featuring lamb recipes, demonstrating how to prepare delicious meals with local lamb products. These initiatives are aimed to enhance consumer awareness and appreciation for Ontario's sheep farming industry while promoting lamb as a quality, locally sourced food choice.



BBQ Lamb Campaign Shoot



BBQ Lamb Campaign Shoot



Virtual Farm Tour Recording in Session



International Plowing Match 2023



International Plowing Match 2023



✕ @OntarioSheep 📍 130 Malcolm Road Guelph, ON N1K 1B1 📞 519-836-0043 ✉ admin@ontariosheep.org

**ONTARIO SHEEP MARKETING AGENCY**  
*(Operating as "Ontario Sheep Farmers")*  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

# **ONTARIO SHEEP MARKETING AGENCY**

*(Operating as "Ontario Sheep Farmers")*

## **INDEX TO THE FINANCIAL STATEMENTS**

**YEAR ENDED AUGUST 31, 2024**

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	Page
INDEPENDENT AUDITOR'S REPORT	3 - 4
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Operations	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 15
Schedule 1 - Office Expense	16
Schedule 2 - Occupancy Expense	16

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of: Ontario Sheep Marketing Agency

### Opinion

We have audited the accompanying financial statements of Ontario Sheep Marketing Agency, which comprise the statement of financial position as at August 31, 2024 and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Ontario Sheep Marketing Agency as at August 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Ontario Sheep Marketing Agency in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the organization's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Guelph, Ontario  
October 16, 2024

Chartered Professional Accountants  
Licensed Public Accountants



**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT AUGUST 31, 2024**

	<b>2024</b>	<b>2023</b> (note 16)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 404,968	\$ 517,287
Short term investments (note 4)	563,500	549,103
Accounts receivable (note 5)	342,970	192,970
Prepaid expenses	<u>30,847</u>	<u>25,464</u>
	1,342,285	1,284,824
<b>CAPITAL ASSETS</b> (note 6)	<u>3,080</u>	<u>3,650</u>
	<u>\$ 1,345,365</u>	<u>\$ 1,288,474</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 109,401	\$ 113,435
Government remittances payable	44,270	31,986
Deferred income	<u>23,081</u>	<u>7,733</u>
	<u>176,752</u>	<u>153,154</u>
<b>NET ASSETS</b>		
Operating Fund - unrestricted	(7,741)	(17,068)
Memorial Fund - internally restricted (note 10)	17,863	17,346
Research And Development Fund - internally restricted	500,225	477,164
Operational Reserve Fund - internally restricted	531,202	541,202
Special Project Fund - internally restricted	116,675	116,676
Dairy Sheep Fund - internally restricted	<u>10,389</u>	<u>0</u>
	<u>1,168,613</u>	<u>1,135,320</u>
	<u>\$ 1,345,365</u>	<u>\$ 1,288,474</u>

**ONTARIO SHEEP MARKETING AGENCY**

*(Operating as "Ontario Sheep Farmers")*

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED AUGUST 31, 2024**

	<b>Memorial Fund (note 10)</b>	<b>Research and Development Fund</b>	<b>Operating Fund</b>	<b>Operational Reserve Fund</b>	<b>Special Project Fund</b>	<b>Dairy Sheep Fund (note 11)</b>	<b>Total 2024</b>	<b>Total 2023 (note 16)</b>
<b>NET ASSETS, beginning of year</b>	\$ 17,346	\$ 477,164	\$ (17,068)	\$ 541,202	\$ 116,675	\$ 0	\$ 1,135,319	\$ 1,095,961
Excess (deficiency) of revenue over expenses for the year	517	23,061	(673)	0	0	\$ 10,389	33,294	39,359
Interfund transfers (note 13)	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>(10,000)</u>	<u>0</u>	<u>\$ 0</u>	<u>0</u>	<u>0</u>
<b>NET ASSETS, end of year</b>	<u>\$ 17,863</u>	<u>\$ 500,225</u>	<u>\$ (7,741)</u>	<u>\$ 531,202</u>	<u>\$ 116,675</u>	<u>\$ 10,389</u>	<u>\$ 1,168,613</u>	<u>\$ 1,135,320</u>

See notes to the financial statements

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

	<b>2024</b>	<b>2023</b> (note 16)
<b>REVENUE</b>		
License fees (note 7)	\$ 970,422	\$ 740,045
Toronto Stock Yards capital revenue	184,647	175,204
Industry programs (note 9)	47,031	32,383
Annual general meeting	40,051	3,577
Interest income	30,558	13,836
Project and program revenue (note 8)	26,944	40,661
Ontario Sheep News	19,051	19,707
Dairy Sheep funds received (note 11)	11,499	0
Other income	8,007	4,610
Memorial Fund income (note 10)	517	517
Seminars	0	3,289
	<u>1,338,727</u>	<u>1,033,829</u>
<b>EXPENSES</b>		
Staff salaries and benefits	436,200	350,587
Contracted services	136,255	185,770
Board and committee	115,557	90,588
Promotion and advocacy	108,491	26,835
Industry programs (note 9)	94,414	25,875
Annual general meeting	78,286	2,112
Research projects and industry programs (note 8)	77,957	98,296
Legal and other professional services	73,482	51,493
Office (schedule 1)	44,985	38,212
Staff travel	36,251	10,940
Occupancy (schedule 2)	32,478	36,130
Ontario Sheep News	25,662	33,432
Membership fees (note 12)	17,182	18,382
District grants and education	9,275	7,845
Audit and accounting	6,500	6,350
Seminars	4,825	3,403
Staff recruiting and training	4,494	4,991
Amortization	2,000	786
Bad debts	639	1,443
Scholarships	500	500
Memorial Fund payments (note 10)	0	500
	<u>1,305,433</u>	<u>994,470</u>
<b>EXCESS OF REVENUE OVER EXPENSES for the year</b>	<u>\$ 33,294</u>	<u>\$ 39,359</u>

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 33,294	\$ 39,359
Items not requiring an outlay of cash		
Amortization	<u>2,000</u>	<u>786</u>
	35,294	40,145
Changes in non-cash working capital		
Accounts receivable	(150,000)	126,776
Prepaid expenses	(5,383)	(15,397)
Accounts payable and accrued liabilities	(4,034)	32,962
Government remittances payable	12,284	16,342
Deferred income	<u>15,348</u>	<u>1,236</u>
	<u>(96,491)</u>	<u>202,064</u>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Long term debt	<u>0</u>	<u>(21,000)</u>
<b>CASH USED IN INVESTING ACTIVITIES</b>		
Additions to capital assets	(1,431)	(2,865)
Short term investments	<u>(14,397)</u>	<u>(19,502)</u>
	<u>(15,828)</u>	<u>(22,367)</u>
<b>(DECREASE) INCREASE IN CASH</b>	(112,319)	158,697
<b>CASH, BEGINNING OF YEAR</b>	<u>517,287</u>	<u>358,590</u>
<b>CASH, END OF YEAR</b>	<u>\$ 404,968</u>	<u>\$ 517,287</u>

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

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**1. NATURE OF OPERATIONS**

Ontario Sheep Marketing Agency is a not-for-profit organization incorporated without share capital under the Ontario Farm Products Marketing Act. Ontario Sheep Marketing Agency is exempt from income tax. Its purpose is to operate as a producer organization, representing all aspects of the lamb, sheep and wool industries in the Province, through marketing, information, advocacy and education.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

(a) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) CAPITAL ASSETS

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

Computer and office equipment	- 3 years straight line basis
Leasehold improvements	- 3 years straight line basis

(c) 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 the 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.

(d) USE OF ESTIMATES

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

**ONTARIO SHEEP MARKETING AGENCY**  
*(Operating as "Ontario Sheep Farmers")*  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

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

(e) **FINANCIAL INSTRUMENTS**

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value.

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

Impairment

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

Transaction costs

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

(f) **CONTRIBUTED SERVICES**

During the year, a number of volunteers contribute a significant amount of their time. Because of the difficulty in determining the fair value, contributed services are not recorded in the financial statements.

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

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

(g) FUND ACCOUNTING

Operating fund

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

Research and Development fund

The research and development fund reports resources available for special program activities of the organization. This fund is internally restricted.

Operational reserve fund

The operational reserve fund reports resources that have been directed by the Board of Directors in accordance with the organization's reserve fund policy. This fund is internally restricted.

Special project fund

The special project fund reports resources that have been directed by the Board of Directors in accordance with the organization's reserve fund policy. This fund is internally restricted.

Memorial fund

The memorial fund reports resources that are contributions of past leaders as well as to fund sheep education and development. This fund is internally restricted.

Dairy sheep fund

The dairy sheep fund reports the balance of funds passed on to the organization from The Dairy Sheep Association of North America for the purposes of education and resources to support the Ontario dairy sheep industry. This fund is internally restricted.

**3. FINANCIAL INSTRUMENTS**

The organization manages its investment portfolio to earn investment income and invests according to a Statement of Investment Policy approved by the Board. The organization is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

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

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

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

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the organization by failing to discharge an obligation. The organization's credit risk is mainly related to accounts receivable. The organization provides credit to its clients in the normal course of its operations. Collectibility is reviewed regularly and an allowance for doubtful accounts is established to recognize the impairment risks identified.

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

**4. SHORT TERM INVESTMENTS**

	<b>2024</b>	<b>2023</b>
Guaranteed investment certificates, interest rates ranging from 2.0% to 5.0%, maturing December 2024 through to January 2027	\$ 555,599	\$ 541,202
738 shares in Canadian Co-operative Wool Growers Limited - at cost (restricted for scholarships)	<u>7,901</u>	<u>7,901</u>
	<u>\$ 563,500</u>	<u>\$ 549,103</u>

The guaranteed investment certificates include \$531,202 (2023 - \$541,202) representing cash that is restricted and is included in the Reserve Fund.

**5 ACCOUNTS RECEIVABLE**

At August 31, 2024, accounts receivable is net of an allowance for doubtful accounts of \$6,550 (2023 - \$6,550).

**6. CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net 2024</b>	<b>Net 2023</b>
Computer and office equipment	\$ 73,441	\$ 70,361	\$ 3,080	\$ 3,650
Leasehold improvements	<u>22,132</u>	<u>22,132</u>	<u>0</u>	<u>0</u>
	<u>\$ 95,573</u>	<u>\$ 92,493</u>	<u>\$ 3,080</u>	<u>\$ 3,650</u>

**7. LICENSE FEES**

	<b>2024</b>	<b>2023</b>
Auction fees	\$ 629,778	\$ 518,244
Slaughter license fees	326,471	201,316
Direct license fees	14,173	17,291
Wool license fees	<u>0</u>	<u>3,194</u>
	<u>\$ 970,422</u>	<u>\$ 740,045</u>

The wool license fees are included within the Research and Development Fund.



**ONTARIO SHEEP MARKETING AGENCY**  
*(Operating as "Ontario Sheep Farmers")*  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

**8. PROJECT AND PROGRAM REVENUE AND EXPENSES**

During the year, the organization managed the following programs:

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Revenue</b>	<b>Expenses</b>	<b>Revenue</b>	<b>Expenses</b>
Industry Research:				
R 21-1 Comprehensive Life Cycle	\$ 0	\$ 0	\$ 0	\$ 8,000
R 21-2 Metablomoics	0	6,000	0	0
R 21-3 CarLa	0	13,000	0	15,000
R 21-4 Maternal Diet & Stress	0	20,000	0	20,000
R 21-5 Ovipast Vaccine	0	0	0	3,500
Living Labs OSCIA	0	10,000	0	0
Testing Programs:				
MAEDI-VISNA	26,944	26,958	40,661	40,817
OMAFRA-GenOvis	0	0	0	5,000
Other	<u>0</u>	<u>1,999</u>	<u>0</u>	<u>5,979</u>
	<u>\$ 26,944</u>	<u>\$ 77,957</u>	<u>\$ 40,661</u>	<u>\$ 98,296</u>

**9. INDUSTRY PROGRAM REVENUE AND EXPENSES**

During the year, the organization managed the following industry programs:

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Revenue</b>	<b>Expenses</b>	<b>Revenue</b>	<b>Expenses</b>
Master shepherd course	\$ 11,562	\$ 12,582	\$ 28,902	\$ 25,395
Fecal egg count course	3,400	0	1,688	0
Introduction to small ruminant course	1,738	0	1,496	0
Market development project	27,500	55,000	0	0
Parasite management	424	0	297	0
Skills development workshops	2,407	72	0	0
GenOvis breeders group	0	0	0	480
Sheep Institute	<u>0</u>	<u>26,760</u>	<u>0</u>	<u>0</u>
	<u>\$ 47,031</u>	<u>\$ 94,414</u>	<u>\$ 32,383</u>	<u>\$ 25,875</u>

**10. MEMORIAL FUND**

The Memorial Fund was established to recognize the contributions of past industry leaders as well as to fund sheep education and development. During the year, the following activity occurred:

	<b>2024</b>	<b>2023</b>
Balance, beginning of year	\$ 17,346	\$ 17,329
Investment income	517	517
Memorial Fund payments	<u>0</u>	<u>(500)</u>
Balance, end of year	<u>\$ 17,863</u>	<u>\$ 17,346</u>

**ONTARIO SHEEP MARKETING AGENCY**  
**(Operating as "Ontario Sheep Farmers")**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

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**11. DAIRY SHEEP FUND**

The Dairy Sheep Fund was established to recognize the contributions of the Dairy Sheep Association of North America as well as to fund sheep education and resources to support the dairy sheep industry in Ontario. During the year, the following activity occurred:

	<b>2024</b>	<b>2023</b>
Balance, beginning of year	\$ 0	\$ 0
Donation	11,499	0
Dairy sheep income	3,715	0
Dairy sheep expenses	<u>(4,825)</u>	<u>0</u>
Balance, end of year	<u>\$ 10,389</u>	<u>\$ 0</u>

**12. MEMBERSHIP FEES**

During the year, the organization paid the following industry membership fees:

	<b>2024</b>	<b>2023</b>
Animal Care Initiatives	\$ 7,865	\$ 7,800
General Farm Organizations	3,772	5,382
Provincial Commodity Discussion/Lobby Groups	2,625	3,100
Animal Health Initiatives	1,170	1,100
Meat and Poultry Ontario	1,350	600
Livestock Research Innovation Corporation	250	250
Agricultural Adaptation Council	<u>150</u>	<u>150</u>
	<u>\$ 17,182</u>	<u>\$ 18,382</u>

**13. INTERFUND TRANSFERS**

The board of directors approved a transfer of \$0 (2023 - \$141,202) from the Special Project Fund to the Operational Reserve Fund.

Additionally, the board of directors approved a transfer of \$10,000 (2023 - \$0) from the Operational Reserve Fund to the Operating Fund and a transfer of \$0 (2023 - \$108,000) from the Operating Fund to the Special Project Fund. The Special Project Fund will be used to leverage funds to build a three to five year marketing program for lamb, partner with processors to gain market intelligence and develop the Sheep Institute.

**14. COMMITMENTS**

The organization is committed to minimum monthly rental payments of \$1,491 plus HST for its premises.

**15. CONTINGENT LIABILITIES**

In the normal course of its operations, the organization is subject to various litigations and claims. The ultimate outcome of these claims cannot be determined at this time. However, the organization's management believes that the ultimate disposition of these matters will not have a material adverse effect on its financial position.

**ONTARIO SHEEP MARKETING AGENCY**  
*(Operating as "Ontario Sheep Farmers")*  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2024**

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**16. PRIOR PERIOD ADJUSTMENT**

An adjustment in the amount of \$99,215 was made to the prior year figures to record exemptions in the correct fiscal year. The result of this correction was a decrease to accounts receivable, operating fund - unrestricted and license fees revenue.

**ONTARIO SHEEP MARKETING AGENCY**

*(Operating as "Ontario Sheep Farmers")*

**SCHEDULE 1 - OFFICE EXPENSE**

**FOR THE YEAR ENDED AUGUST 31, 2024**

	<b>2024</b>	<b>2023</b>
Computer maintenance and supplies	\$ 16,043	\$ 19,703
Supplies and rentals	10,555	7,485
Postage	8,058	8,930
Telephone	6,034	6,876
Bank charges and interest	2,623	(7,211)
Miscellaneous	<u>1,672</u>	<u>2,429</u>
	<u>\$ 44,985</u>	<u>\$ 38,212</u>

**SCHEDULE 2 - OCCUPANCY EXPENSE**

**FOR THE YEAR ENDED AUGUST 31, 2024**

	<b>2024</b>	<b>2023</b>
Rent	\$ 17,887	\$ 21,673
Insurance	8,052	7,901
Building equipment and maintenance	6,000	5,900
Security	<u>539</u>	<u>656</u>
	<u>\$ 32,478</u>	<u>\$ 36,130</u>