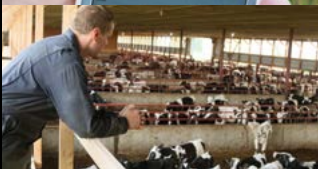




VEAL 
Farmers
of Ontario

2020 **ANNUAL REPORT**

Our Values



Animal Care

We value calf health – animal care is our first priority

Quality

We strive for excellence in food safety and quality

Innovation

We foster progress through innovation and research

Leadership

We proactively provide leadership for the veal industry

Teamwork

We take a collaborative approach tackling industry challenges

Accountability

We are open, transparent and strive for excellence in our work

Our Mission

Veal Farmers of Ontario provides leadership to promote industry growth and viability through collaboration, innovation, marketing and education

Our Vision

A proactive and engaged dairy calf and veal industry in Ontario

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Also available online at vealfarmers.ca



Message from the Chair

Pascal Bouilly

This past year is one that will not soon be forgotten. It is hard to believe it was almost a year ago now, when the Ontario veal cattle sector gathered in Stratford for the Veal Farmers of Ontario (VFO) Annual General Meeting for what would be one of the last public events in the Ontario agriculture meeting schedule.

The global Covid-19 pandemic has certainly changed the way in which we conduct business and interact with our family, friends, and colleagues. From the very beginning of the pandemic, VFO implemented its business continuity plan with the board meeting virtually and staff working remotely when needed. A silver lining has been the efficiencies gained and saving both time and money with the use of meeting technology like Zoom.

One thing that has not changed during this pandemic is Ontario farmers and their commitment to continuing to do what they do best—producing safe, high-quality food for our consumers. The importance of protecting our local

food supply chain—from farm gate to the consumer's plate—has certainly been reinforced this past year.

This past year also gave us all an opportunity to pause and be thankful for all the frontline essential services that our agri-food and livestock processing partners and their staff provide. Thanks to our processing partners, and demand from the consumer for local Ontario veal, the veal cattle sector has come through this past year with steady demand for grain-fed veal. However, the Canadian milk-fed veal sector has not fared as well with the closure of the tourism and hospitality sectors both here at home and around the globe. As a result, processors have been forced to freeze the milk-fed veal at inventory levels like what we experienced during the BSE crisis. As we move out of the pandemic, and markets start to open again, we will need to be careful about this frozen inventory and its potential impact on the fresh veal market.

One thing about this pandemic and the

shift in the way we conduct business, is the level of collaboration that we have seen and been a part of this past year with our commodity organization partners. We truly can do more together. An example of this collaboration is the successful passing of Bill 156, the *Security from Trespass and Protecting Food Safety Act, 2020*. The legislation protects Ontario's food supply chain, from farm to table, without infringing on the right to peacefully protest and, in conjunction with the *Provincial Animal Welfare Services Act (PAWS), 2019*, ensures animals are protected and cared for properly. VFO, along with Ontario's farm and commodity groups, worked alongside Minister Hardeman to ensure the farmer's voice was heard and that our farms and families were protected.

VFO was proud to be part of the collective effort of Beef Farmers of Ontario, Ontario Sheep Farmers, Ontario Pork, and Grain Farmers of Ontario to lobby the provincial government on the importance of supporting Ontario's Risk



Management Program (RMP). Thank you to Minister Hardeman and Premier Ford in demonstrating this support by bringing forward their promise of an additional \$50 million to be put into the RMP. This was welcome news in such uncertain times. With market volatility, processing capacity, and uncertainty disrupting our livestock markets, the importance of business risk management programs that work for our farmers has never been more critical.

VFO also collaborated throughout the year with the Ontario Farm Products Marketing Commission and Beef Farmers of Ontario to bring forward amendments to our veal regulations. While this was an issue that VFO had been working on for quite some time, it was rewarding to see it finally come to pass. The amendments, which came into effect January 1, 2021, to our regulations include updated definitions of what is considered veal cattle that will

strengthen our regulations, provide clarity to our veal definitions, and ensure equity and transparency within all segments of our markets where our VFO licence fees are applied.

VFO's consumer marketing initiatives also had to make some adjustments because of the pandemic. Our popular search for *Ontario's Best Veal Sandwich* was postponed, and tactics shifted to encouraging consumers to cook more veal at home. As an example, the Ontario Veal Appeal campaign developed online contests, shared veal recipes, and used social media influencers to help extend our reach.

I would like to take this opportunity to extend my thanks to my fellow VFO Board of Directors for their support, teamwork, and contributions as we navigated this past year together. Of course, on behalf of our veal farmers and the VFO Board of Directors, I would like to thank our dedicated staff members who

went above and beyond what has been expected, even when at times the tasks seemed insurmountable. They certainly rose to the challenges that this past year presented them. The resiliency of our board and staff in these trying times has ensured that each one of our farms has been at the forefront of all our work.

This past year has been one like no other, with many lessons learned, unprecedented changes, and increased collaborations. I look forward to 2021 and brighter days ahead where we can meet again in person. Until then, thank you for your continued support and my best wishes to all for a successful year ahead.

Message from the **Executive Director**



Jennifer Haley

2020 was a year that many of us will not soon forget. It was the year that brought us closer together while keeping us apart. Reflecting on this past year reminds me of my high school English class and the opening lines of Charles Dickens' *A Tale of Two Cities*, *"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair."*

It was a year of contradictions with so many highs and so many lows. Changing so many of our best laid plans while inspiring new ways of doing things and finding efficiencies. VFO's outlook from the very beginning of the Covid-19 pandemic was to remain as flexible as possible while maintaining our focus on ensuring business continuity for our organization and our members.

Ensuring our members had the resources that they needed to navigate the uncertainties of the pandemic was of paramount importance. Using our extensive network of industry partners and stakeholders, VFO monitored market conditions, processing capacity, and public health measures, and was part of the discussions and contingency planning across industry partners and with various levels of government.

The level of collaboration, helping each other, and sharing amongst our industry colleagues has been unprecedented and something I hope will be sustained well past this pandemic. Whether it is the livestock sector or the larger agri-food sector, we have shown we can do more together for our collective members.

This past year was the fifth anniversary of VFO becoming a marketing board under the *Farm Products Marketing Act* and it was appropriate that we saw the final piece of our regulatory framework

come into place in December with amendments to our regulations to broaden the definitions of veal and provide clarity on where licence fees are applied. This was the culmination of some great work between the Ontario Farm Products Marketing Commission, Beef Farmers of Ontario and VFO, and supported by Minister Hardeman.

As you read through this annual report, you will see the breadth and depth of all that VFO has worked on and accomplished this past year, despite the challenges. VFO is a high-performing organization focused on driving value for the Ontario veal cattle sector. Issues and topics cover consumer marketing, the Canadian Veal Association, business risk management programs, virtual Healthy Calf Conference, market information, trade tracker, research investments, export protocols, Code of Practice, advocacy, governance, industry communications, *The Connection*, member support, calfcare.ca, animal

health, animal welfare and so much more.

It has been my privilege to work with our staff and I want to thank each of them for their passion, dedication, and commitment to doing the best we possibly can for our members. The combined expertise of our staff is truly impressive and covers such a wide swath of subject matter. VFO staff have demonstrated such resiliency in the face of many challenges this past year and pushed harder even at times when the gas tanks were running on empty. I am proud of all we have been able to accomplish together as a team while taking care of each other.

I would like to acknowledge the unwavering commitment of the VFO Board of Directors to their members and to their staff. The leadership of the VFO Board of Directors has been pivotal to navigating the challenges that this past year presented. The Board is truly committed to upholding VFO's strategic

vision through active discussions, contributions, and collaboration around the virtual board table.

As we move through 2021, it is my hope that we maintain faith for a brighter future ahead; rely on the strength of our family and friends; and that our work continues to support the farms of today and those of tomorrow.

Jen



2020 VFO Board of Directors



Pascal Bouilly,
Chair



Phil Kroesbergen,
Vice Chair



Sid Atkinson



Judy Dirksen



Brian Keunen



Cameron Knip



Dylan Yantzi

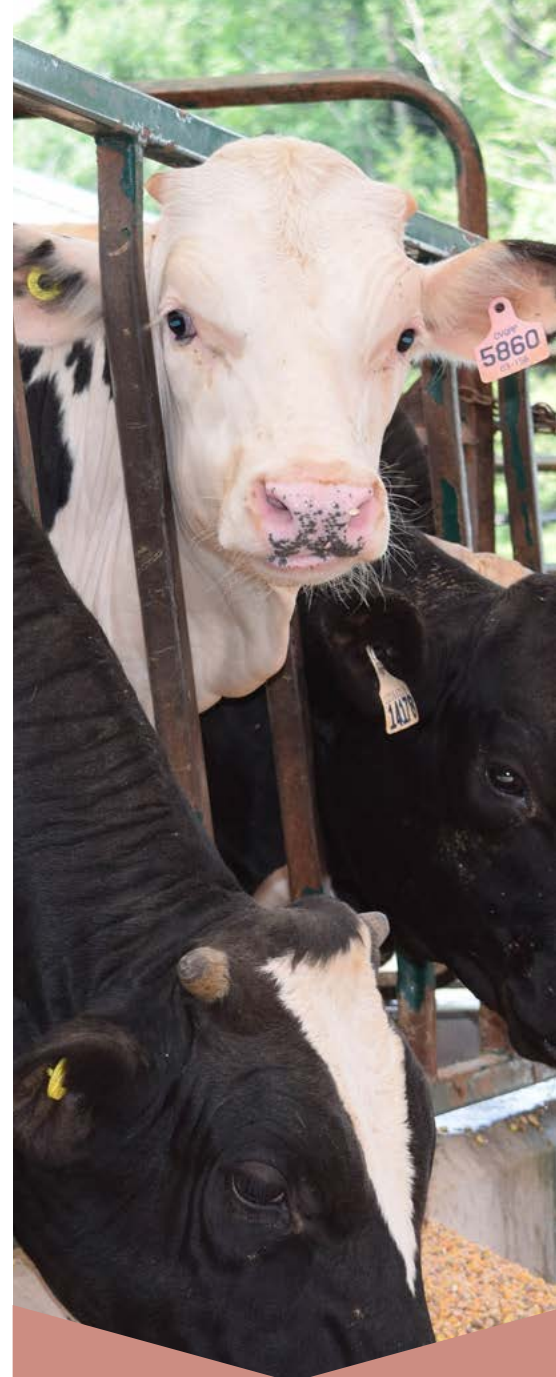
Proudly serving Ontario's veal farmers

VFO is a producer-run organization that represents the interests of Ontario's veal farmers. We work on a variety of projects and address the issues directly impacting male dairy calf and veal producers, to create a proactive and engaged dairy calf and veal industry in Ontario. VFO is open, transparent, and committed to excellence.

VFO works with our industry partners to strategically address the needs of our sector and lay important foundation blocks that will serve our industry now and into the future. We invite our stakeholders and customers to engage and invest in research with us that will

address the needs of the sector moving forward.

The business of VFO is handled by a board of directors comprised of eight veal and/or male dairy calf producers from across Ontario. Directors are elected by voting members at the Annual General Meeting. All directors are elected to a rotating three-year term. Directors work on behalf of the Ontario male dairy calf and veal cattle sector on projects, issues, and initiatives that benefit the membership of the organization.



Total kg of veal
harvested in Ontario
in 2020

7,360,980 kg



2020

Total farm
gate value of Ontario
veal cattle sales
in 2020

\$38,784,256



VFO staff

VFO employs a team of high-performing professionals who are responsible for implementing initiatives and conducting the organization's day-to-day business.



2020 Highlights

Production & Standards

Animal care is a top priority for VFO, and 2020 saw the launch and completion of several projects to encourage both producers and veterinarians to incorporate calf health during regular visits and ensure that all calves consistently receive the highest quality of care.

The *Ontario Calf Health Improvement Program* (CHIP) wrapped up in early 2020 with the goal of understanding and educating producers and veterinarians on calf management and best practices, with an emphasis on providing veterinarians with tools and resources to work more effectively with their clients.

A toolkit was developed for veterinarians to educate Ontario dairy and veal producers on key calf health management practices. As part of the toolkit, www.calfcare.ca was updated to include a veterinarian portal. The portal contains calf care protocols that can be downloaded and modified by veterinarians. This resource will help start conversations between veterinarians and their clients on calf management during their herd health visits.

Through the project, VFO also launched the revised second edition of the “Building the Foundation for Healthy Calves II” manual. Ontario veal and dairy producers received a copy in December. This manual is an essential producer

resource designed to address the challenges of today’s veal and dairy calf producers while highlighting the latest best management practices. Written by leading experts in calf management, this manual will help producers establish sound calf management protocols and take a proactive, complete farm approach to calf nutrition, disease, housing, and transportation.

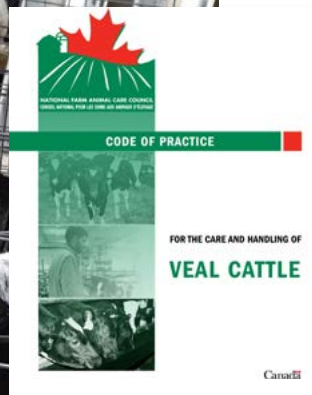


Due to COVID-19, the *Refining diagnostic tools on arrival to a veal facility* study, led by Dr. Dave Renaud from the University of Guelph, has been extended to January 31, 2021. Preliminary results suggest that colostrum management continues to be important to preventing mortality and that nutrition, which directly influences cholesterol, prior to transport could be important in

predicting disease. Further analysis is underway for other aspects of the study, looking at a prudent approach to antibiotic treatment of high-risk calves at arrival to a male dairy calf rearing facility and the utility of rectal temperature in predicting disease at a male dairy calf raising facility.

The *Immune function and intestinal microbiota* study also led by Dr. Renaud, was delayed and revised due to COVID-19. Now called the *Evaluating the health and growth impact of transport on male dairy calves* study, the objective is to evaluate the impact of commingling and short and long-distance transport on behavioural, metabolic, and clinical indicators of health as well as growth in male dairy calves. An additional objective is to evaluate how intestinal microbiota change over time and use these changes to predict morbidity and mortality. This project started in October 2020 and will be complete by February 2022.

VFO is committed to, and is working towards, the continuous improvement of its research programming, recognizing that research is an integral support to producers, processors, and the entire veal value chain. Recent research programming investments by VFO have focused on garnering critical knowledge



to improve the health status of male dairy calves, and while many of the previous research projects on finishing grain-fed veal cattle remain relevant, they were completed over 10 years ago. VFO surveyed producers in the fall of 2020 to identify the current needs of the industry and inform the development of new research priorities.

Through the Canadian Veal Association (CVA), VFO has been involved in several key initiatives at the national level that will impact both the provincial and national veal sectors. The National Farm Animal Care Council (NFACC) is in the process of updating the *Code of Practice for the Care and Handling of Dairy Cattle* (Dairy Code). The CVA has two roles on the Code Review Committee as both a full member and a special advisor on calves for the Dairy Code, with the goal of ensuring consistency in how dairy calves are managed between the *Code of Practice for the Care and Handling of Veal Cattle* (Veal Code) and the Dairy Code.

VFO also encouraged veal producers to enhance their understanding of the Veal Code, our industry standard of care, as we worked toward the December 31, 2020 goals of group housing calves as young as possible and eliminating tethering of calves. Increased communications of new housing fact sheets and one-on-one coaching were used to help producers achieve this target.

NFACC is also in the process of updating the 2001 *Recommended Code of Practice for the Care and Handling of Farm Animals* (Transport Code). This is a large undertaking that will cover all livestock and poultry. The CVA represents male dairy calves and finished veal cattle on the Transport Code, as part of the Cattle Working Group comprised of the beef, veal, and dairy sectors to ensure there are clear requirements and recommended practices specific to their unique needs.

In early 2020, the Humane Transport Working Group was formed with the Canadian Food Inspection Agency (CFIA) to discuss the amended *Health of Animals Regulations* Part XII: Transport of Animals, which came into effect on February 20, 2020. The purpose of the working group was for clarification on the amended regulations, and to discuss the impact on each province across Canada and what producers could expect. Through these meetings, the guidance document was updated for a clearer understanding of the amended regulations and it was clear there was a need for research on the transportation of male dairy calves. Since this time, there have been several studies undertaken.

VFO has also customized a form for producers shipping veal cattle in response to requests for documentation that complies with the amended regulations.

Advocacy & Industry Relations

VFO continues to adapt and pivot as policy concerns and priorities change, while striving toward our vision of a proactive and engaged dairy calf and veal industry. 2020 saw VFO continue to work closely with several key industry groups, including the CVA, through committee work, representing the Ontario veal sector at both in-person and virtual industry functions, and participating in provincial and national initiatives that impact the veal sector.

VFO represents the Ontario veal sector on several key industry councils, including the Farm & Food Care Ontario (FFCO) Animal Care and Farm Environment Advisory Council. This group creates a common forum to discuss issues and provide insight from industry to guide FFCO's animal care and environmental programming. VFO is also a member of Ontario Livestock and Poultry Council (OLPC), an information-sharing forum on biosecurity, and the Meat & Poultry Working Group. This working group was formed at the beginning of the pandemic in March 2020 as an avenue to assess how the industry was managing with all of the changes and allow processors and commodity groups to share both challenges and

how we could all work together to get through it.

VFO promotes the continuous improvement of animal welfare on our farms. VFO has worked closely with the Provincial Animal Welfare Services (PAWS) as part of the Ministry of the Solicitor General since January 2020 when the PAWS Act came into effect, to assist with on-farm animal care issues.

Along with our commodity group partners, VFO was pleased to join Hon. Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs and the Ontario government virtually as they announced the proclamation of Bill 156, the *Security from Trespass and Protecting Food Safety Act*. Beginning December 5, 2020, the Act protects Ontario's food supply chain, from farm to table, without infringing on the right to peacefully protest and, in conjunction with the PAWS Act ensures animals are protected and cared for properly. VFO, along with Ontario's farm and commodity groups, worked collaboratively on this issue and Pascal Bouilly, VFO Chair, spoke on behalf of the veal sector during the Standing Committee hearings. A joint media statement was released to applaud the efforts of Minis-

ter Hardeman and the Ontario government in working diligently to support the needs of Ontario's food producers.

Maintaining and supporting the business risk management programs for producers is one of VFO's strategic directions. Together with Beef Farmers of Ontario (BFO), Grain Farmers of Ontario, Ontario Pork, and Ontario Sheep Farmers, VFO asked the Government of Ontario to fully fund the Risk Management Program (RMP) at 100 per cent in 2020 and remove the cap on the program.

Following an extensive joint government relations campaign that involved VFO Chair Pascal Bouilly leading the veal sector discussion on calls with the Premier's Office Policy Team, MPP Will Bouma (Parliamentary Assistant to the Premier), the Treasury Board Secretariat, and the official opposition, VFO was pleased to join Premier Ford, Minister Hardeman, and our commodity organization partners for an important announcement on July 16 that saw an additional \$50 million invested into the RMP in 2020, bringing forward the Premier's campaign promise by one year. This brings the total annual investment into RMP to \$150 million.

This funding will support farmers with unforeseen challenges such as fluctuating market prices, extreme weather events like flooding or drought, and disease. Bringing forward these funds ahead one year and into 2020 is perhaps one of the most important investments to be made to the Ontario livestock industry and specifically the veal sector. With the economic uncertainty of the markets looking forward, rising costs of production, and navigating the supply chain disruptions caused by COVID-19, veal farmers depend on the RMP as part of their business risk management strategy.



(L to R) Pascal Bouilly, VFO Chair, Doug Ford, Premier of Ontario, Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs

VFO, along with our partners, are resolute in working together to find solutions and improvements at the federal level for the AgriStability program. Our group has been reaching out to both the federal and provincial levels of government to raise concerns about the ineffectiveness of the AgriStability program to provide the level of support when it is needed most. AgriStability is the main channel of delivery of funds from the federal government and it needs significant improvements to make it a realistic business risk management tool that farmers can rely on so that we can keep producing safe, quality food. VFO will continue to support the collaborative and joint efforts to make sure that government hears us.

VFO worked with our partner organizations to address the Freedom of Information request that was submitted to OMAFRA looking for all the names of Ontario farm businesses and Farm Business Registration Numbers. Together with our partners, VFO filed an objection on the basis that your farm name is indeed personal information that should not be shared with anyone.

Five years after VFO came into force as a marketing board, we took the next step towards finalizing our regulations with respect to how licence fees (check-

off) are applied to veal cattle in Ontario. VFO, with the support of BFO, worked with the Ontario Farm Products Marketing Commission to bring the proposed amendments forward. The amended regulations bring forward an expanded definition of veal cattle to include an extended weight on male dairy bob calves up to 150 pounds; inclusion of started or preconditioned intact male dairy calves up to 450 pounds; and the addition of veal cattle marketed on live weight basis, weighing no more than 769 pounds, through an auction or live-stock dealer. There are no changes to the definitions for those producers who market their veal cattle directly to the processor. The amendments came into effect on January 1, 2021.

Essential workers at participating Ontario veal processing facilities were surprised with gourmet cookies for each staff member as a gesture of appreciation from Ontario's veal farmers for their hard work and dedication during the COVID-19 pandemic. Through the commitment of the veal processing facilities and their loyal staff, the Ontario veal supply chain continued to run smoothly. The plants incorporated new policies and procedures to take the necessary steps to protect staff and keep high-quality Ontario veal available in our communities and on the plates of



consumers. The COVID-19 pandemic has been a stressful time for everyone, and despite that staff came to work every day to keep the veal processing facilities operating and for that VFO is truly appreciative.

Like other organizations, the Toronto Stockyards Land Development Board (TSYLDB) held its AGM virtually this fall. The TSYLDB elected Jennifer Haley, VFO Executive Director, to the position of Chair. Jennifer was jointly nominated to the TSYLDB by VFO and BFO and brings a wealth of board governance and strategic experience to the table.

VFO and the Canadian Beef Check-Off Agency (the Agency) announced that they entered into agreements to strengthen Canadian veal marketing as a part of the larger Canadian beef and veal marketing initiative at the 2020 VFO AGM. The agreement between the two organizations ensures that VFO is meet-

ing its obligations while at the same time providing value to both organizations with respect to programs and initiatives that will benefit our members and strengthen the overall Canadian Beef Cattle Check-Off program. The Agreements will provide the opportunity for additional investments to be made into veal programming and marketing activities both domestically and in high-value global markets, creating consistency and aligned processes after the separation of VFO from the BFO in 2015.



(L to R) Jennifer Haley, VFO Executive Director, Melinda German, Agency General Manager and Chad Ross, Agency Chair



Together with our Quebec counterparts, VFO continues to work as a founding member of the CVA to raise awareness of issues impacting the veal sector at the Federal level and address a number of priority files that include the drug labelling and approval process, antimicrobial use and resistance, animal welfare, on-farm food safety and the impact of European veal imports.

The CVA has been instrumental in supporting the Veal Working Group—a national committee comprised of government, industry partners, and veal producer groups (provincial and national), established in 2018 under the Beef Value Chain Roundtable—to review and identify priority issues for the Canadian Veal Industry. The opportunity to have various departments of the government around the table with veal producer groups has been very beneficial and productive.

The CVA is part of the Livestock Grades Requirement committee that is managed as part of the Canadian Beef Grading Agency (CBGA). Proposed amendments to the grade standards in the *Safe Food for Canadians Act* were brought forward by the CVA and CBGA to increase the maximum weight limit for a veal carcass from 180 kg to 190 kg (rail weight). The amendments came



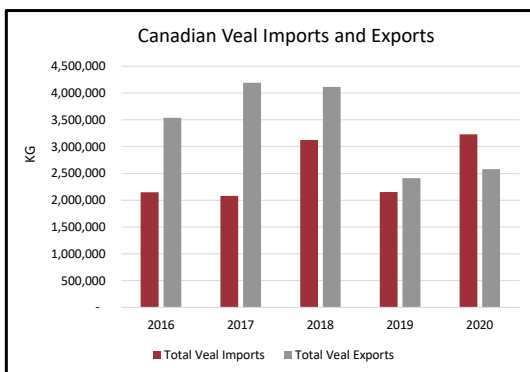
into effect January 15, 2020. Bringing the needs of the industry and matching that with the grade requirements for veal carcasses has been an important collaboration for the CVA and CBGA. The purpose of the amendment is to provide the Canadian veal industry with the flexibility and opportunity to manage veal carcass weights throughout the supply chain.

Among the strategic objectives of VFO are to advocate for veal on government policies that impact producers and increase consumption and drive demand for Ontario veal. Developing new trade markets represents an opportunity for VFO to deliver on these objectives. To underline the importance of new trade markets and to develop a clear picture for veal producers as to the impacts of trade, VFO has created the Veal Trade Tracker. Updated quarterly, the Veal Trade Tracker will give producers a straightforward picture of the state of veal trade and the impacts that changing trade conditions may have on their operation.

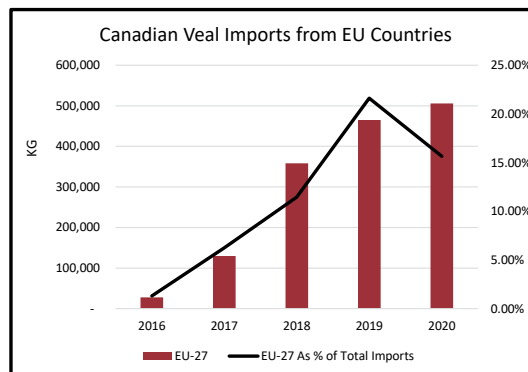
Gaining market access to Europe continues to be a strategic priority for the CVA and VFO. COVID-19 made 2020 an unpredictable year for trade.

Travel restrictions and the closure of the hospitality industry has caused major supply chain disruptions as consumers switch to at-home consumption. Yet, despite the declines in demand, especially for milk-fed veal, veal imports have not fallen.

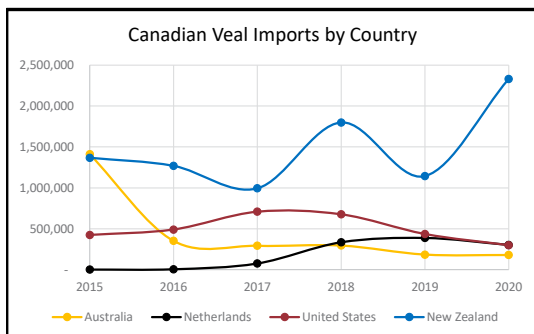
Together with the CVA, VFO has been working with the federal government to highlight the concerns we are facing as a sector. At the same time, we have worked collaboratively with the CFIA to draft an export protocol for the European Union with the goal of expanding our ability to market Canadian veal globally. Throughout the recent trade and market uncertainty VFO continues to be a strong advocate for producers, working with our industry and government partners to build a strong, innovative, and resilient veal sector.



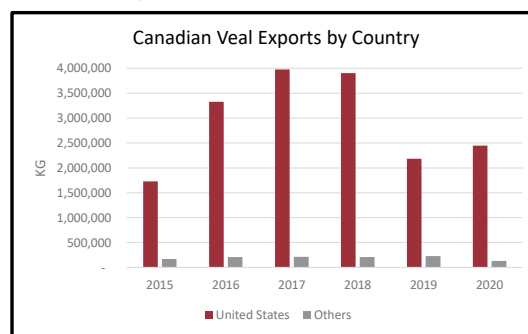
While in previous years veal has maintained a trade surplus, Canadian veal ended 2020 in a trade deficit. Exports grew by 7% to just over 2.5 million kilos. However, imports of veal increased greatly with over 1 million additional kilos being imported, a 50% increase from 2019.



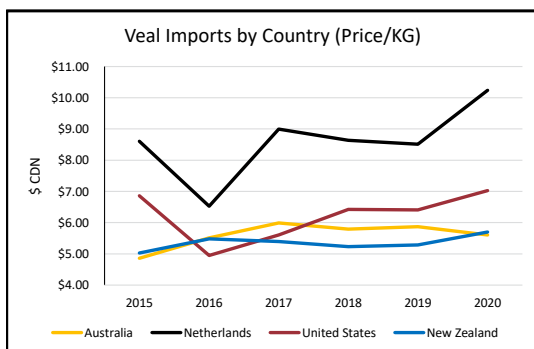
The volume of veal imports from the EU (red bars) continued to increase in 2020 to over 500,000 KG. Due to a large increase in imports the percentage of total imports from the EU (black line) fell slightly from 20% in 2019 to 16% in 2020. The Netherlands represents over 90% of EU imports, with the remainder coming from Italy.



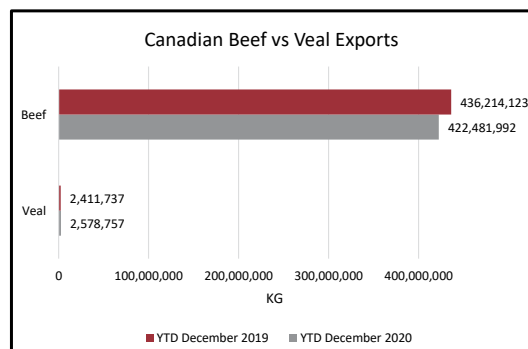
A large majority of Canada's veal imports came from New Zealand in 2020. Imports from the Netherlands and Australia remained steady from 2019, while American imports continued to decline. More veal is now imported from the Netherlands than the USA.



Veal exports to the United States, the destination for the vast majority of Canadian veal, increased by 12%. While exports to the Middle East, namely to Saudi Arabia and the United Arab Emirates fell by 40%.



Imports from the Netherlands are higher quality cuts and command a significantly higher price when compared to the value of imports from other countries. The value of American cuts also increased notably in 2020.



Veal represents just a small fraction of Canada's red meat trade.

All data retrieved from AAFC and Statistics Canada, red meat section.



Marketing & Promotions

VFO was proud to be part of the Canadian Beef and Canadian Veal Pavilion at the Restaurants Canada trade show held in early March in Toronto. The show was a great opportunity to connect with restaurant operators and those in the foodservice industry to talk about Ontario veal on the menu. As part of the contest promotion, our spokesperson John Catucci joined us for a 'meet and greet' at our booth and helped to create some buzz in the Pavilion about Ontario Veal! By partnering with Canada Beef, VFO was able to leverage important resources, drive added value from the show and make connections to promote and create awareness for Canadian Veal.



VFO's consumer marketing program was among the many businesses pivoting their strategies and operations to remain relevant and viable in the wake of COVID-19. At the 2020 AGM, we reported on our recently completed new recipe development and photography as well as our media and promotion plan for the 2020 search for *Ontario's Best Veal Sandwich* (OBVS) with our host John Catucci. However, with the rapid

changes in the foodservice and hospitality sector in response to the global pandemic, the 2020 OBVS contest was cancelled, and new marketing and promotion plans were developed.

The overall strategic goal of VFO's consumer marketing programs has been 'to increase consumption of and drive demand for Ontario veal through promotion with a focus on existing consumers'. With the almost overnight

closure of the foodservice and hospitality sector, the strategy focused on how to pivot veal consumers from the restaurant to cooking veal at home to ensure veal demand would be sustained.

The "Vealing Delicious" e-newsletter was reactivated and distributed to our existing veal consumer database, with frequency amplified to weekly (vs. monthly) to provide timely veal recipes, cooking instructions, how-to videos, and

Ontario VEAL appeal



veal meal solutions to the consumer with everyone now cooking at home. The e-newsletter moved to biweekly distribution in September.

The #VealAtHome social media contest launched in April to encourage consumers to cook with veal at home and share the results of their meal with the incentive to win prizes. The response was fantastic with the contest being launched on Twitter, Facebook, and Instagram. As part of our contest, we continued to work with John Catucci to help with promotion and announce the monthly winners, along with the grand prize in September.

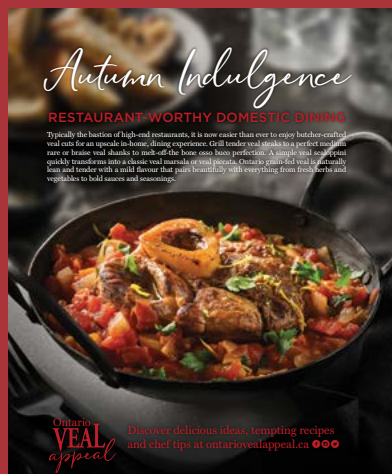
Ontario Veal Appeal also worked with John Catucci as part of a foodnetwork.ca promotion to create interest in cooking life a chef at home, with featured recipes endorsed and created by celebrity chefs and hosts. The four-week campaign began at the end of June and culminated in a grand prize valued at more than \$1000 and included a

new BBQ, cuts of Ontario veal, BBQ tools, the *You Gotta Eat Here* cookbook autographed by John Catucci, and an Ontario Veal Appeal kitchen gift pack.

As part of the pivoted plan, John Catucci was also involved in a media tour with Breakfast Television Toronto, CH Morning Live, CTV Kitchener, Global Kingston (Morning Show) and CBC Radio – Ontario Morning. Media outreach for this campaign also achieved national print coverage and full pages in the Ottawa and Toronto Sun.

Ontario Veal Appeal partnered with Chef Ted Reader—a grill master with a huge social media following—to create weekly social media content promoting veal on the BBQ. Chef Ted created new and unique veal recipes featuring chops, ground veal, scallopini, and cubed veal—all cuts that should be readily available to the consumer. Chef Ted appeared on Toronto's Breakfast Television where he prepared “Veal Smash Burgers” extending our reach





Ontario VEAL appeal



even further to almost one million Toronto viewers.

Ontario Veal Appeal partnered with Food & Drink magazine with three full page ads in the summer, autumn, and holiday issues. We have always been aligned with the consumer demographics of this publication and now was a

great opportunity to speak directly to our consumers with some great recipe ideas and inspiration. One full-page ad and two newsletter ads were also taken out in the Foodism magazine. The recipes promoted were in the top five recipes visited over the holidays.

The Ontario Veal Appeal social media accounts continue to be excellent avenues of connecting with consumers. Through our social media platforms, we worked to promote, like, and share posts from our foodservice partners, especially our former contestants and finalists of the OBVS contest. When restaurants were closed, these businesses—many of them small, independent, and family-run—worked hard to pivot their businesses to offer take out and curbside pick-up, and we wanted to support them by sharing their social media posts and promoting their veal menu options.

The consumer marketing promotions strategy is multi-faceted to strategically

target opportunities to drive demand for Ontario and Canadian veal while stretching and maximizing our budget. Ontario Veal Appeal saw strong, above average engagement rates from work with six food bloggers/influencers that was shared in the e-newsletter and on social media. In the last quarter of 2020, Ontario Veal Appeal worked with social media influencer Cooking with V, sharing recipes on social media and in the e-newsletter.

June 1 to 7, 2020 was Local Food Week, an event designed to celebrate local food and inspire consumers to incorporate more local product in their meals. Now more than ever, buying and supporting local food creates jobs and economic growth in communities across the province. VFO engaged with consumers through our social accounts, shared veal recipes featuring Ontario-grown products, and directed them to the Meat & Poultry Ontario website to source veal locally. Producers were

encouraged to get involved on social using the #loveontfood hashtag and sharing their favourite way to choose local.

Ontario's veal is raised on family farms that support our rural communities and the Ontario economy. Held October 5 to 11, 2020, Ontario Agriculture Week celebrated the abundance of food Ontario farmers produce, and their contributions to our province. VFO used this opportunity to thank our supply chain partners, share resources to support our industry partners, and celebrate our pride in veal farming.

The CVA worked with industry partners and the federal government to ensure that veal was on a prioritized list of commodities that were eligible for the Surplus Food Rescue Program. The CVA worked with a few organizations that were putting in applications for funding and matched them with our processors who had frozen veal available. This was important to reduce the level of frozen veal stocks and provide some return on the costs so that we could prevent a future glut of veal on the market down the road.



Operations

From the outset of the provincial emergency orders and navigating the initial crisis that the COVID-19 pandemic created, VFO has had two guiding priorities—the safety and well being of our people and ensuring effective and adequate communications. VFO quickly implemented work from home solutions for our staff to ensure the integrity of the office and organization’s operations could continue seamlessly while at the same time the health, safety and well being of our staff and their families could be maintained.

VFO, as a smaller organization, has always believed in collaborating with other like-minded individuals and orga-

nizations to leverage resources and this serves us well during times of crisis. From the outset, several industry groups were formed to address the situation in the agri-food supply chain. VFO and the CVA have been represented with several provincial and federal groups.

The VFO Board has met virtually since March 2020, taking stock of the ever-changing situation in the veal markets, discussing calf supply and finished veal supply and demand, processor feedback, government programs, and issues management, while at the same time conducting its board meetings virtually. We swiftly pivoted our consumer marketing

programs to address the dramatic changes in the foodservice sector with the goal of ensuring we could maintain veal cattle processing and consumer demand.

VFO transitioned our e-mail addresses and website in 2020. All of the great content on ontarioveal.on.ca can now be found on our website at vealfarmers.ca.

Geoff Holwell joined VFO as the Inspection and Compliance Officer. The primary responsibilities of this newly created position are to ensure compliance with the VFO’s regulations and maintain integrity in the licence fee collection system.

Industry relationships

The VFO works closely with a number of industry partners and organizations in order to fulfill the mandate of the association, including:

Agricultural Adaptation Council
Agscope
Beef Farmers of Ontario
Canadian Animal Health Institute
Canadian Cattlemen’s Association
Canada Beef
Canadian Meat Council
Canadian Veal Association
Christian Farmers Federation of Ontario
Dairy Farmers of Ontario
Farm & Food Care Ontario

Foodland Ontario
Grain Farmers of Ontario
Les producteurs de bovins du Quebec
Livestock Research Innovation Council
Meat & Poultry Ontario
National Farm Animal Care Council
Ontario Agricultural Commodity Council
Ontario Agricultural Sustainability Coalition
Ontario Animal Health Network
Ontario Cattle Feeders’ Association

Ontario Federation of Agriculture
Ontario Livestock Auction Markets Association
Ontario Livestock Dealers Association
Ontario Livestock & Poultry Council
Ontario Livestock Transporters’ Alliance
Ontario Ministry of Agriculture, Food & Rural Affairs
Ontario Pork
Ontario Sheep Farmers
President’s Council

Member Relations

VFO is committed to promoting and enhancing Ontario's veal industry through innovation, marketing, advocacy, and education. This includes developing and implementing communications strategies for producers, processors, government, and the general public through a quarterly magazine, weekly and monthly e-newsletters, social media, and online services, along with attendance at industry events permitted in early 2020.

The Connection magazine is the official quarterly publication of VFO, highlighting the work we do on behalf of the veal cattle and male dairy calf sector, including how licence fees are used to drive demand for Ontario veal, production articles to help optimize calf and cattle raising, and relevant industry



news. New and archived issues of *The Connection* are now available digitally on vealfarmers.ca. VFO also distributes information electronically via the weekly *The Connection e-update*.

The @OntarioVeal twitter account continues to be a well-used communication tool for farmers. The Veal Market Report app for iPhone and Android, along with the weekly e-distribution of the market report via Twitter and *The Connection e-update*, continue to provide producers with timely market information so they can make informed business decisions.

VFO launched two new private Facebook groups in 2020 to help foster connections between members, share timely sector updates, and provide a space for discussing production and industry issues. The Marketing of male dairy calves in Ontario group is designed for dairy and veal producers, and for those starting calves for the dairy-beef market. The Finish-



ing grain-fed veal in Ontario group is geared towards producers finishing male dairy cattle for veal markets. Both are great forums to ask questions and start important conversations.

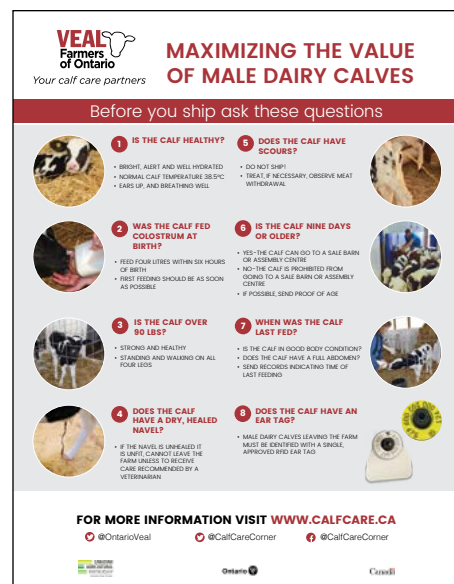
VFO has two websites, the vealfarmers.ca corporate site for producer information, and calfcare.ca, an online toolbox created by VFO for producers and industry professionals navigating challenges with calf health, welfare, and nutrition. This website provides relevant and timely information that will continuously improve the care of all calves.

VFO's Calf Care Corner e-newsletter is released monthly to producer members and industry partners. A monthly Calf Care Corner column in Dairy Farmers of Ontario's *Milk Producer* print publication provides an additional avenue to share information pertaining to neonatal calf health with producers and strengthen and solidify our position as your calf care partners. Calf Care Corner has a Facebook page and Twitter account dedicated to sharing calf raising tips to ensure all calves get off to a healthy start, and provide a platform for #calftiptuesday, a weekly graphic highlighting a calf raising tip and accompanying article. Our reach for both our corporate and educational social media channels continued to grow in 2020.



Deciding to raise calves for the grain-fed veal market requires thorough and thoughtful planning. VFO developed a series of factsheets that will help answer common questions about starting and operating a grain-fed veal farm. New fact sheets are released monthly and can be found at vealfarmers.ca.

In early 2020, VFO was invited to give presentations to producers at the Eastern Ontario Dairy Days in St. Isidore and Kemptville, Yantzi's Feed & Seed Ltd. Dairy Producer Day in Tavistock, and to members of the Maritime Beef Council in Moncton, New Brunswick to share strategies on maximizing the value of male dairy calves. VFO also attended the South Western Ontario Dairy Symposium in February, connecting with new and existing members, discussing industry issues, promoting calf care, and distributing resources.





Healthy Calf Conference

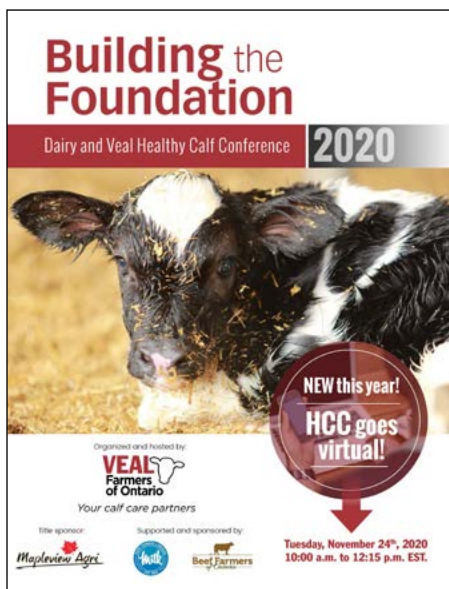
Nearly 400 attendees joined VFO for our first-ever virtual Building the Foundation: Dairy and Veal Healthy Calf Conference (HCC) on Tuesday, November 24th, 2020. The ninth biennial HCC brought innovative ideas to an international audience of dairy, veal, and dairy-beef producers, veterinarians, industry partners, students, and researchers. Expert speakers offered advice on all aspects of calf management, including health, nutrition, welfare, and housing, providing insight into practical ways to improve their well-being and performance.

With this year's new virtual format, the HCC delivered the same high-quality content in a more flexible way, with three live presentations and four pre-recorded sessions, to allow attendees to access the conference material at a convenient time. Following a welcome from VFO Chair Pascal Bouilly, the live presentations were kicked off by Aaron Keunen from Mapleview Agri. Ltd., discussing attributes of effective calf electrolytes and the results of recent research studies published in the Journal of Dairy Science. The talk by the Saskatoon Colostrum Company's Dr. Michael Nagorske sparked

thoughtful questions from attendees as he shared the latest research in bioactives in colostrum and reinforced the importance of colostrum's role in calf health and disease resistance.

Dr. Joao Costa from the University of Kentucky headlined the live program with insights into group housing calves, including how to best transition the calves to reap long-term benefits of early socialization and proper nutrition while avoiding challenges with health and behaviour. His practical advice on how to balance disease management and the benefits of group housing provided attendees with key concepts they should consider when making changes to how they manage calves on their farms.

As part of the conference package, attendees also received access to the 2020 Healthy Calf Conference portal on calfcare.ca, a password-protected page housing the pre-recorded talks by Dr. Mike Van Amburgh, Cornell University, Dr. Steven Roche, ACER Consulting, Dr. Jodi Wallace, Ormstown Veterinary Hospital, and Kendra Keels, VFO, digital proceedings, and exclusive calf care resources.

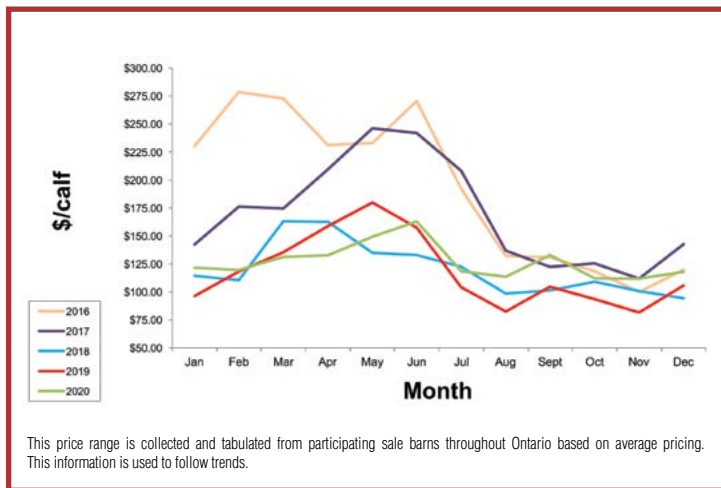




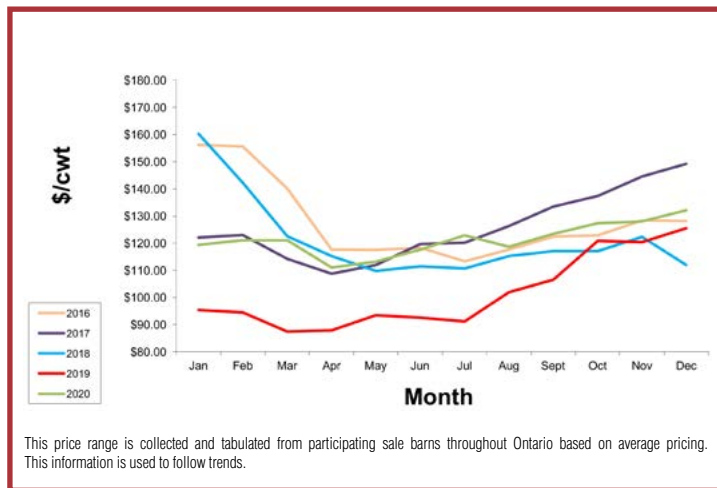
Veal Market Information

Veal market data is collected electronically from Ontario sales barns.

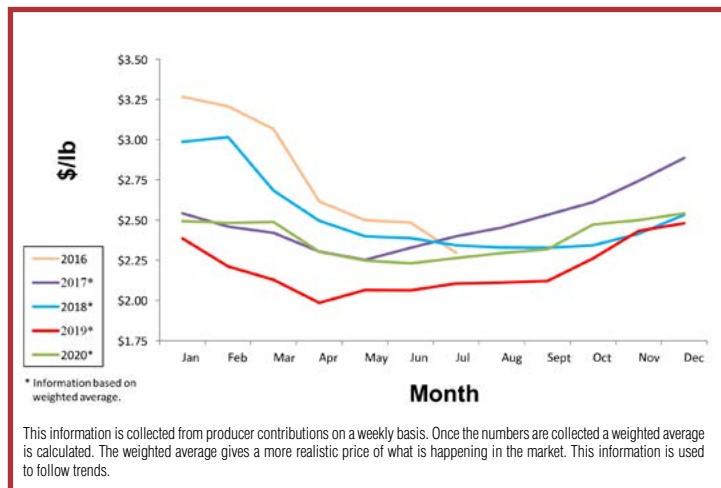
Bob Calf Pricing



Sale Barn Veal Pricing



Rail Grade Veal Pricing



Finished Pricing

Finished price compared to bob calf prices (Seven months previous)





2020 Financials



INDEPENDENT AUDITOR'S REPORT

To the Members of: Veal Farmers of Ontario

Opinion

We have audited the accompanying financial statements of Veal Farmers of Ontario, which comprise the statement of financial position as at December 31, 2020 and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Veal Farmers of Ontario as at December 31, 2020 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 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
February 24, 2021

Chartered Professional Accountants
Licensed Public Accountants

VEAL FARMERS OF ONTARIO
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash (note 4)	\$ 490,674	\$ 164,059
Short term investments (note 5)	662,219	950,082
Accounts receivable	178,707	119,735
Prepaid expenses	14,171	0
	<u>1,345,771</u>	<u>1,233,876</u>
CAPITAL ASSETS (note 6)	<u>27,297</u>	<u>37,959</u>
	<u>\$ 1,373,068</u>	<u>\$ 1,271,835</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 150,410	\$ 26,814
Government remittances payable	7,770	11,342
Deferred sponsorship income	0	1,500
	<u>158,180</u>	<u>39,656</u>
NET ASSETS		
INTERNALLY RESTRICTED FUND	500,000	500,000
UNRESTRICTED FUND	<u>714,888</u>	<u>732,179</u>
NET ASSETS	<u>1,214,888</u>	<u>1,232,179</u>
	<u>\$ 1,373,068</u>	<u>\$ 1,271,835</u>

VEAL FARMERS OF ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Internally Restricted Fund	Unrestricted Fund	Total 2020	Total 2019
NET ASSETS, beginning of year	\$ 500,000	\$ 732,179	\$ 1,232,179	\$ 1,413,383
Net deficit of revenues over expenditures for the year	<u>0</u>	<u>(17,291)</u>	<u>(17,291)</u>	<u>(181,204)</u>
NET ASSETS, end of year	<u>\$ 500,000</u>	<u>\$ 714,888</u>	<u>\$ 1,214,888</u>	<u>\$ 1,232,179</u>

VEAL FARMERS OF ONTARIO
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
REVENUES		
License fees	\$ 615,148	\$ 547,679
Toronto Stock Yard distribution (note 7)	235,273	226,522
Project income	115,813	141,004
Advertising	37,990	19,970
Cost sharing recovery	32,543	16,667
Interest	13,646	16,110
Government subsidies	5,288	0
Miscellaneous	4,500	1,935
Annual general meeting	2,220	4,533
Memberships, conferences and workshops	8,940	38
	<u>1,071,361</u>	<u>974,458</u>
EXPENDITURES		
Wages and benefits	428,960	409,378
Consumer education and communication	313,925	252,778
Program expenses	175,546	292,542
Director expenses	43,541	47,867
Office	27,949	34,545
Rent	24,273	44,205
Producer communications	20,281	18,890
Amortization	13,530	14,596
Professional fees	12,429	8,952
Telephone	9,170	9,461
Memberships	7,775	6,283
Utilities	3,349	6,121
Repairs and maintenance	3,013	5,270
Insurance	2,521	2,511
Interest and bank charges	2,390	2,263
	<u>1,088,652</u>	<u>1,155,662</u>
NET DEFICIT OF REVENUES OVER EXPENDITURES		
for the year	<u>\$ (17,291)</u>	<u>\$ (181,204)</u>

VEAL FARMERS OF ONTARIO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Deficit of revenues over expenditures for the year	\$ (17,291)	\$ (181,204)
Items not requiring an outlay of cash		
Amortization	13,530	14,596
Gain on sale of assets	0	(1,935)
Unrealized gain/loss on investments	<u>16,711</u>	<u>(11,969)</u>
	12,950	(180,512)
Changes in non-cash working capital		
Accounts receivable	(58,972)	49,070
Prepaid expenses	(14,171)	0
Accounts payable and accrued liabilities	123,596	(3,357)
Government remittances payable	(3,572)	(5,159)
Deferred income	<u>(1,500)</u>	<u>1,500</u>
	<u>58,331</u>	<u>(138,458)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Additions to capital assets	(2,868)	(33,100)
Short term investments	271,152	120,418
Proceeds on disposal of capital assets	<u>0</u>	<u>1,935</u>
	<u>268,284</u>	<u>89,253</u>
NET INCREASE (DECREASE) IN CASH	326,615	(49,205)
NET CASH, BEGINNING OF YEAR	<u>164,059</u>	<u>213,264</u>
NET CASH, END OF YEAR	<u><u>\$ 490,674</u></u>	<u><u>\$ 164,059</u></u>

VEAL FARMERS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. PURPOSE OF THE ORGANIZATION

Veal Farmers of Ontario is a tax exempt producer-run organization established by Provincial legislation under the Farm Products Marketing Act to support the veal industry in Ontario through innovation, marketing, 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) CAPITAL ASSETS

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

Furniture and fixtures	- 20 % declining balance basis
Computer hardware	- 30 % declining balance basis
Leaseholds	- 5 years straight line basis

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

(b) 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.

(c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards 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 useful lives of capital assets. Actual results could differ from those estimates.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) FINANCIAL INSTRUMENTS (continued)

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.

(e) FUND ACCOUNTING

Unrestricted fund

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

Internally restricted fund

The internally restricted fund reports resources allocated by the organization for expenditures in future years and that are not to be distributed for general operating activities.

(f) REVENUE RECOGNITION

The organization follows the restricted fund method of accounting for contributions in which externally restricted contributions are recognized upon receipt in the appropriate fund corresponding to the purpose for which they were contributed. Externally restricted contributions of the unrestricted fund are recognized as revenue when the related expenditure occurs. Unrestricted contributions are recognized in the unrestricted fund when received or receivable and collection is reasonably assured.

Cost sharing recovery, license fees, Toronto Stock Yard distribution, and memberships, conferences and workshops revenues are recognized when earned.

3. FINANCIAL INSTRUMENTS

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

The extent of the organization's exposure to these risks did not change in 2020 compared to the previous period.

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

4. BANK INDEBTEDNESS

The organization has utilized \$0 (2019 - \$0) of an authorized operating line of credit with a limit up to a maximum of \$50,000. The line of credit bears interest at prime plus 1.5%. The line of credit is secured by a GIC with principal of \$75,000. No conditions regarding this loan have been breached at year end and no accrued interest relating to this loan is owing.

5. SHORT TERM INVESTMENTS

Short term investments consist of:

	2020	2019
BMO Cashable GICs, interest at 1.700% compounded annually, increasing to 2.05% in year two and 2.25% in year three, maturing February 22, 2021	\$ 82,042	\$ 80,353
BMO GIC, interest at 0.65% compounded annually, maturing December 24, 2021	553,827	0
BMO GICs, interest at prime less 2.70% compounded annually, maturing February 16, 2021	26,350	0
BMO GIC, interest at 1.60% compounded annually, increasing to 1.85% in year two and 1.95% in year three, maturing December 22, 2020	0	543,185
BMO GICs, interest at prime less 2.70% compounded annually, maturing December 7, 2020	0	300,237
BMO GICs, interest at prime less 2.70% compounded annually, maturing February 18, 2020	<u>0</u>	<u>26,307</u>
	<u>\$ 662,219</u>	<u>\$ 950,082</u>

6. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2020	Net 2019
Furniture and fixtures	\$ 1,544	\$ 602	\$ 942	\$ 1,178
Computer hardware	2,867	430	2,437	0
Leaseholds	<u>88,058</u>	<u>64,140</u>	<u>23,918</u>	<u>36,781</u>
	<u>\$ 92,469</u>	<u>\$ 65,172</u>	<u>\$ 27,297</u>	<u>\$ 37,959</u>

7. TORONTO STOCKYARDS LAND DEVELOPMENT BOARD

The former Toronto stockyards land has been developed as a commercial rental property by the Toronto Stockyards Land Development Board. The organization receives a dividend from this organization.

8. COMMITMENTS

The organization has various operating leases for the premises and equipment. Future minimum lease payments are as follows:

2021	\$	27,064
2022		27,599
2023		27,934
2024		<u>22,448</u>
	\$	<u>105,045</u>

9. MATERIAL UNCERTAINTY DUE TO COVID-19

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the organization's assets and its future ability to deliver all services.

THANK YOU TO OUR ANNUAL SPONSORS

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VEAL FARMERS OF ONTARIO

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