



**Intellectual Property
Ontario**

**2022-2023
Annual Report**

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Message from the Board Chair and Chief Executive Officer

Ontario is home to a wealth of world-class researchers and innovators — brilliant minds that position this province as one of the world’s leading knowledge-based economies. To maintain a position that stimulates innovation which results in economic growth, it is vital for Ontario companies and researchers to develop, protect and leverage intangible assets – that is, intellectual property and data.

The Government of Ontario understands this need and established Intellectual Property Ontario (IPON) to provide trusted, reliable IP tools, resources and guidance that help researchers, innovators and entrepreneurs leverage the value of their intangible assets and positions them to grow and scale and successfully compete on the global stage.

Here, in IPON’s inaugural Annual Report for 2022-23, we proudly demonstrate our early successes. In just six short months of operation, IPON has built strong partnerships with stakeholders across the national IP ecosystem, stimulated IP commercialization capacity building at Ontario post-secondary institutions and started to deliver IP education and services to its first cohort of companies across several key industry sectors.

We thank our team for their passion and dedication that contributed to these successes. We also express our deepest thanks and appreciation to Minister Jill Dunlop and the Ministry of Colleges and Universities (MCU), and to Minister Vic Fedeli and the Ministry of Economic Development, Job Creation, and Trade (MEDJCT), for their unwavering support and collaboration.

We are just getting started! Over the coming years IPON will continue to work in partnership with our government colleagues and Ontario’s innovation ecosystem to deliver trusted IP support and guidance and provide entrepreneurs and researchers access to valuable IP resources that will help them achieve commercial success and advance Ontario’s competitiveness and economic growth.

Karima Bawa
Chair – Board of Directors



Peter Cowan
Interim Chief Executive Officer

About IPON

Trusted IP Support for Ontario Innovators

IPON's launch marks a critical step forward in Ontario's IP landscape to help advance Ontario's competitiveness. As a board-governed provincial agency, we are dedicated to supporting the development and protection of IP and improving the commercialization outcomes of research and new inventions in Ontario. The ultimate goal: to help advance the province's economic growth and competitiveness among global knowledge-based economies.

To achieve this goal, IPON works closely with innovators, businesses, and researchers at various stages of their IP journey to provide expert IP education, financial supports, and mentorship. We help IPON clients better understand how to:

- Maximize the value of their IP,
- Strengthen their capacity to grow,
- Compete in the market, and
- Enhance research and commercialization outcomes.

Provincial Mandate

IPON was established in January 2022 by [Ontario Regulation 4/22](#) with the objectives to:

- Increase public access to IP services and resources,
- Support the development and protection of IP to improve commercialization outcomes,
- Advance IP knowledge and education,
- Establish partnerships across the IP ecosystem both within and outside of Canada, and
- Provide advice, recommendations, and support to the Government of Ontario with respect to encouraging economic competitiveness through the development, protection, and commercialization of IP.

Through its 2022-23 fiscal year, IPON focused on meeting expectations set out in the March 2022 Letter of Expectations from the Ministry of Colleges and Universities while delivering on objectives to start up and operationalize the agency.

To support these objectives, IPON has operationalized agency startup activities, including initial client intake and onboarding, as well as the launch of beta-test-phase client services and supports. IPON has established a solid foundation to advance IP knowledge and education, as well as provide guidance to government in the next fiscal

year. Additionally, IPON is dedicated to maximizing the benefits and value of Ontario-made IP by building the capacity of post-secondary institutions and others in the innovation ecosystem.

IPON's Public Launch

IPON was publicly launched on October 12, 2022, via an official Ministry press release and an announcement by the Honourable Jill Dunlop at the annual Medtech Canada conference. Stakeholders were advised of the agency's launch via digital communications and one-on-one meetings. An opinion article was published in the *Globe & Mail* by IPON's Chair and Interim CEO announcing the agency and importance of IP strategies.

Since then, IPON has built up its internal capacities to support operational and beta-phase activities, including publishing the agency's website, building strategic partners, and streamlining IPON's client application form.

The result: a higher-than-expected volume of applications, signalling a strong demand for IPON and need for trusted IP resources.

Accountability

As a Crown agency of the Government of Ontario, IPON is subject to the requirements set out in the Agencies and Appointments Directive. IPON is committed to transparency in all aspects of governance, management, administration, and operations and has, through substantial efforts, met these accountability requirements. All documents are fully accessible [online](#), including IPON's:

- Annual report,
- Business plan,
- Financial statements,
- Letter of direction,
- Memorandum of Understanding between the Chair of IPON's Board of Directors and the Minister of Colleges and Universities,
- By-laws that set out the operational framework for the agency, and
- Travel, meal, and hospitality expense reporting for executives.

Setting Up a New Agency

Appointment of Board and Interim CEO

IPON was established in early 2022 with the intention of starting operations at the beginning of the 2022-23 fiscal year. The Board of Directors was assembled in April 2022, but delays outside of IPON's control (i.e., writ period and inability to secure Section 28 approvals) meant operational capacity was constrained until an interim CEO could be appointed.

Promptly after the end of the writ period, in August 2022, the Board of Directors recruited Peter Cowan as Interim CEO. As the agency's inaugural CEO, Peter has been instrumental in establishing agency operations, fostering organizational culture, and delivering on IPON's provincial mandate — all in a short period of time.

Operationalization and Back Office Set Up

Agency Governance

During this time, IPON established a comprehensive governance framework in collaboration with the Ministry of Colleges and Universities. This included signing a Memorandum of Understanding (MOU), approving key agency by-laws and policies, and developing and approving the 2023-2026 Business Plan, which solidified agency governance requirements and provided Board-approved strategic direction.

Further, the Board of Directors established the following four strategic objectives:

- 1) Establish strategic partnerships with IP ecosystem stakeholders.
- 2) Increase IP capacity within the ecosystem.
- 3) Be a high-value partner for the PSE sector.
- 4) Achieve operational excellence.

Finance and IT

IPON also established crucial finance and IT back-office functions to support service delivery and conduct administrative and financial tasks with little direct support from the Ministry. As of March 31, 2023, IPON managed its financial payments and transactions with minor Ministry or third-party support.

Additionally, IPON has launched several key procurements to develop IP intelligence and landscaping reports for priority sectors and acquire resources to develop IP benchmarking tools and other digital tools to automate and streamline service delivery to clients.

Recruitment

IPON has successfully assembled an exceptional team of qualified staff to deliver during the initial beta phase and beyond. In March 2023, a Senior Manager for People and Culture joined the team, bringing all HR functions in house. Since then, we have continued to develop robust HR policies, procedures, and programs to support the growing operations and an organizational culture where people can thrive.

Attracting and retaining skilled talent, including those with unique IP knowledge and/or private sector experience, requires a creative talent-attraction approach, as well as a continued lens on competitive compensation. This approach includes deploying transition team resources, using short-term contractors responsibly, employing students from co-op programs, and accelerating permanent and fixed-term staff recruitment to address needs in critical roles. IPON continues to rely on creative solutions for the talent shortage and lean into their flexible hybrid/remote work policies to attract top talent moving forward.

Office Space

IPON has established headquarters in Kitchener, Ontario and is exploring securing satellite office space in other locations, such as Toronto, to enable a better hybrid work arrangement for staff in the region. The choice of a satellite location will be influenced by our client and stakeholder locations, as well as staffing needs.

Organizational Culture

The agency's Interim CEO, who reports to the Board of Directors, oversees day-to-day operations. Shortly after the recruitment of the Interim CEO, a Senior Leadership Team was established to assist with managing the agency's operational activities. The inaugural Board has played a significant role in helping fill the gaps while the agency builds up its internal capacity.

The operationalization of the agency would also not have been possible without support from the Ministries. This collaboration helped IPON achieve success in starting up the agency.

By the end of the fiscal year, IPON had made significant progress in identifying its vision, mission, and values, which will be reflected in next year's annual report.

Agency Priorities

IPON's overarching goals, as outlined in the 2022-23 Minister's Letter of Expectation, were to start up and operationalize the agency and launch an initial beta test of services. We are proud to say the operational milestones outlined in Table 1 have all

been met. IPON also launched the Joint Working Group on Commercialization Policy Framework and began the review of post-secondary institutions’ Annual Commercialization Plans.

Table 1: Letter of Expectations Operational Milestones

Operational Milestones	Status
MCU-IPON MOU	Signed in January, 2023
Initial by-laws passed and approved	Completed; including Eligibility By-law
Interim CEO recruitment	Completed
Set up back office	Completed
Funding agreement written and approved	Completed
Recruited talent for beta phase	Completed; talent recruitment approach outlined and approved by MCU in operational plan
Operational Plan (2022-23) and Business Plan (2023-26) written and approved	Both submitted on time and approved by MCU
Reporting	All progress and financial reports were submitted to MCU on time

By applying an agile approach to service and operational deliverables, **IPON launched within an aggressive timeline and has positioned itself as a key partner and leading resource on IP and innovation in the province.** Moving forward, IPON will leverage its foundational success to further increase operational capacity to scale up services based on the results of the beta phase, improve, and expand service delivery to clients and stakeholders, and work on further solidifying strategic partnerships.

Governance

Corporate Structure

As of March 31, 2023, IPON finalized an organizational structure to deliver the organization’s mandate, legislated responsibilities, and business objectives.

Ontario Minister of Colleges and Universities		
IPON Board of Directors		
Interim CEO		
<p>IP Strategy Programs & Strategy Business Development Service Integration Education Content & Delivery</p>	<p>Operations Partnerships & Strategy Digital Operations Academic Affairs Finance</p>	<p>Corporate Affairs Human Resources Legal Corporate Affairs Communications</p>

IPON Board of Directors

As of March 31, 2023, the IPON Board of Directors consisted of seven members with extensive experience in IP, post-secondary education, and business. Board remuneration details are provided in Appendix A.

Board Member	Position	Original Appointment Date	Responsibility (Committee)
Karima Bawa	Chair	March 4, 2022	Member, Finance & Audit Committee; Governance Committee
Karen McClure	Vice-Chair	January 26, 2023	Chair, Finance & Audit Committee
Paul Paolatto	Member	January 19, 2023	Member, Governance Committee
Elliot Fung	Member	March 4, 2022	Chair, Governance Committee
Hongwei Liu	Member	March 4, 2022	Member, Governance Committee
Sally Daub	Member	March 4, 2022	Member, Finance & Audit Committee
Dan Herman	Member	March 4, 2022	N/A

2022-23 Operating Performance

Service Delivery¹

Intake for service delivery coincided with IPON’s official launch in October 2022. IPON phased its intake by issuing three calls for applications focused on priority sectors during its first fiscal year, allowing the agency to maximize its resources and client experience.

Call for Applications	Priority Sector(s)	# Unique Applications Received	# Clients Onboarded
October 19 – November 2, 2022	Medtech	58	7
December 2 – December 23, 2022	Automotive	45	10
January 31 – February 22, 2023	Open call: Medtech, automotive, artificial intelligence, ORF-RE recipients	156	23 (5 Medtech, 2 automotive, 12 AI, 4 ORF-RE)
TOTAL		259	40

Through these intakes, **IPON reviewed 247 unique eligible applications**. All applicants were assessed against the requirements in the Eligibility By-law and were reviewed both individually and as a cohort to select applicants that met those requirements (e.g., geographic spread, technology, benefit to Ontario, state of commercialization). Once shortlisted, all applicants were subject to due diligence and a conflict-of-interest check with the Board of Directors and Interim CEO.

The beta phase has a limit of up to 40 clients with approximately 10 clients for each sector. Beta clients were eligible to receive all initial IPON service offerings.

- 1) Clients sign an agreement with IPON.
- 2) Clients complete the Foundations of IP Strategy course (CIGI MOOC), including the two-hour live online case study and benchmarking exercise to determine their “IP health.”
- 3) Clients meet with IPON for an “IP needs” discussion to determine the suite and sequence of services to best meet their IP needs.

¹ In addition to the 2022-23 Annual Report, IPON will be submitting a beta-phase report to the Ministry in January 2024 which will contain further details on the progress and impact of IPON services on its beta-phase clients.

All 40 beta-phase clients had signed agreements as of March 31, 2023.

Initial Client Services

IPON phased the roll out of its services as follows:

Funding

Access to up to \$25,000 in up-front funding to subsidize the cost of IP protection and IP related commercialization services, conditional on an approved scope of work. Financial support could be used for IP audits, IP valuation, IP strategy assessments, IP filings, IP agreements, and contracts with high IP impact as outlined in Regulation 4/22. In 2022-23, IPON covered up to 70 per cent of eligible costs to a maximum of \$25,000.

Benchmarking

Benchmarking comprised of identifying the “IP health” of clients by conducting a review of their IP strategy, assets, and processes. The results of this review helped to inform the best fit of future services and actions to meet the clients’ IP needs.

Education

A self-paced online course that provides knowledge on how IP can be strategically leveraged to advance business objectives. The Foundations of IP Strategy course is followed by a live case-study workshop to help apply course learnings. Micro-credentials (rapid training program) are issued to clients who complete educational requirements.

Mentorship

Our mentors offer lived IP and commercialization experience and expertise, tailored to each client’s business. **Our mentors are highly qualified and have experience ranging from scaling successful startups to managing research and development for Fortune 500 companies.**

In addition to offering direct services, IPON provided additional supports to complement its core offerings, notably:

- **IP Service Provider Roster:** IPON issued a call for IP service providers, specifically experienced service providers with expertise in various areas of IP protection and commercialization, including expertise in our three priority sectors. As of March 31, 2023, IPON received 81 applications, which the team carefully reviewed and assessed for experience, geographic spread, and alignment with IPON’s priority sectors. Of those, 74 service providers (from 21 firms) signed MOUs with IPON, agreeing to offer discounted rates and flat fees for services.

Future offerings

At the time of fiscal year end, IPON was developing the following services to be offered in 2023-24.

- **IP Commercialization Mentor Roster:** IPON is preparing to issue a call for IP commercialization mentors: experienced, business-savvy executives, entrepreneurs-in-residence, executives-in-residence, serial entrepreneurs, industry experts, and/or growth coaches who can provide specialized subject-matter expertise, insights, and guidance in our priority sectors.
- **Advanced Educational Courses:** Module-based e-learning courses on topics tailored to advance client IP knowledge are planned to be developed and offered in late 2023-24.
- **IP Intelligence:** IPON will support market intelligence to clients based on IP patent landscapes and datasets provide actionable insights to accelerate innovation and focus resources on the “right” technologies in markets with commercialization opportunities.
- **Networking Events:** IPON will host networking events and its clients will be among the first audiences to be invited to these events which will aim to expand IP knowledge and provide opportunities for collaboration, as well as the opportunity to network with policy makers and other industry leaders.
- **Tiger Team:** In the case of urgent, time sensitive IP critical business issues, clients have access to consultations with members of IPON’s Tiger Team. This is a group of vetted, highly specialized lawyers with a global reach who provide initial consultations and legal suggestions for next steps. IPON will seek Ministry approval to provide this service.

Preliminary Lessons Learned

IPON has been agile, client-focused, and committed to improving, streamlining, and automating processes where possible for efficient operations and an optimal client experience. IPON reviewed the client intake and application processes and has continually improved them after each intake. For instance, based upon client feedback, IPON has significantly streamlined its application process without compromising on the robustness of the intake process. IPON has also improved the onboarding process by creating a more comprehensive onboarding package with an introductory email and a short onboarding video, along with relevant documents. The improvements which have been made are intended to better support scalability.

Operational Set Up

As a new agency, IPON had to establish all required, policies, procedures, program guidelines and other business critical tools required for serving its clients.

Key Performance Indicators (KPIs)

During the last progress reporting period, we set initial KPIs in our Operational Plan that were used as targets for internal staff and to track organizational success. We have embarked on all of them and have successfully achieved the majority of them.

IPON in conjunction with its Board has developed a more comprehensive KPI framework which will be included in the agency's 2023-27 Business Plan.

The table below outlines the agency's KPIs and status as of March 31, 2023.

KPI	Year-end Status	Notes	Source
# of Client Agreements signed. Target: 40	Completed	All Client Agreements signed.	2022-23 Ops Plan (KPI #1)
Total # of eligible (met Eligibility By-law) applications. Target: 200+	Completed	247 eligible applications received.	2022-23 Ops Plan (KPI #2)
Seamless, user-friendly intake process. Target: less than 5% of total applicants ask clarifying questions	Completed	2.3% of clients asked for clarification on IPON's intake process. Unsolicited client quote: <i>"Thank you and your team for the high-standard and swift application process. We are so excited about the approval and eagerly look forward to starting this program."</i>	2022-23 Ops Plan (KPI #3)
% clients requesting the suite of IPON services as matched to need at intake. Target: 70% of clients reported achieving desired outcomes that were agreed upon in the Client Agreements	Ongoing	As of March 31, 2023, the client satisfaction survey has not been provided as the beta period has not ended.	2022-23 Ops Plan (KPI #4)
# of partnership MOUs signed or public announcement for informal partnership made.	Ongoing	1 MOU signed; 2 announcements. Others (5) in progress for beta test.	2022-23 Ops Plan (KPI #5)
# of partners involved in priority sector intakes.	Completed	4 partners involved for 3 launch events.	2022-23 Ops Plan (KPI #5)
Establish a roster of vetted IP legal service providers. Target: 10+ IP law firms	Completed	As of March 31, 2023, 81 individual responses to our call for service providers to express interest.	2022-23 Ops Plan (KPI #6)

		74 service providers (from 21 firms) confirmed for service provider roster.	
IPON is able to conduct most administrative and financial tasks on its own with little direct support from the Ministry.	Completed		2022-23 Ops Plan (KPI #7)
Key instruments are signed and executed, with internal IPON policies in place as directed by the Board.	Ongoing	MOU, Funding Agreement, SLA for TT signed. The only outstanding SLA is for IT services that has been delayed due to staffing changes at the IT cluster.	2022-23 Ops Plan (KPI #8)
JWG launched: sector representation (# of reps from colleges, universities, research hospitals, innovation sector, and companies).	Completed	JWG launched on March 9, 2023. 14 members identified (7 colleges, 7 universities).	2022-23 Ops Plan (KPI #9)
# of government-funded bodies having meaningfully consulted with IPON.	Completed	Meaningful consultations with 6 bodies.	Board
# of front-facing articles in the news.	Completed	2 Op Eds, 20 impact references, 11 government media references.	Board
# of companies supported through mentoring/strategic engagement.	Completed	14 clients	Board
# of IP assets protected.	Ongoing	As of March 31, 2023, IPON's started onboarding Beta clients. The number of IP assets protected by these clients is expected to meet set targets by the end of the Beta phase.	Board
IP Basic curriculum launched and accessible by clients.	Completed		Board
IP Advanced curriculum: feedback on approval provided to Interim CEO within 30 days of submission.	Ongoing	Significant progress was made during FY2022-23 to ensure advanced curriculum was on track to be completed in July 2023. Timing did not allow for completion of advanced curriculum. IPON will continue to prioritize its completion in FY2023-24.	Board
# of companies that participated in educational program.	Completed	As of March 31, 2023, 17 companies (19 individuals) completed the CIGI MOOC course.	Board

# of individuals accredited.	Completed	As of March 31, 2023, 16 individuals (13 companies) participated in the learning workshop.	Board
# of law firms willing to provide discounted services by top-tier lawyers.	Completed	As of March 31, 2023, 21 firms and 74 service providers were on the service provider roster.	Board
# of research projects engaged; Student IP program deployed, with ability to track downstream engagement with future STEM / IP enrollment.	Ongoing	An optional operational deliverable that did not receive Ministry approval before March 31, 2023.	Board
Office location set up.	Completed	Lease signed for Kitchener office space.	Board
Reports delivered as per agreed-upon timelines with MCU.	Completed		Board

Commercialization Mandate Policy Framework (CMPF)

KPI Joint Working Group

In March 2023, IPON and MCU established a Joint Working Group (JWG) on Commercialization Metrics to standardize institution-specific baselines and reporting. IPON’s Interim CEO met with prospective JWG members to develop relationships and agree on basic principles and outcomes in advance of the JWG launch. The JWG has been tasked with developing a comprehensive KPI framework for IP commercialization to be completed in 2023-2024.

Annual Commercialization Plans (ACP)

As of March 31st, IPON was engaged in reviewing all college and university Annual Commercialization Plans (ACPs) and creating a report for the Minister of Colleges and Universities. We recruited a Strategic Advisor of Academic Affairs to lead this work. The report, which was issued after our fiscal year end includes observations on the sector’s commercialization performance and policy recommendations to the Minister, as approved by IPON’s Board.

The report is published on [IPON’s website](#).

PSE Commercialization Pilot

IPON announced a call for proposals to post-secondary institutions for up to \$300,000 in funding to enhance their innovation and commercialization efforts. The delivery and objective of this proposal project was a result of listening to feedback from post-secondary institutions that stated funding resources as a challenge. It was also influenced by best practices observed during a delegation trip to Israel. Proposals

outlined institutional need, impact measurements, project timelines, collaboration plans with IPON, and new resources to support commercialization activities.

Twenty-three proposals from 11 colleges and 12 universities were received, requesting a total of \$5.8M in funding, exceeding IPON's \$2M budget. By the end of March 2023, IPON selected seven pilot participants who would receive a total value of \$2M. The project will be implemented in the 2023-24 fiscal year.

Partnerships

IPON's success relies on strong partnerships with stakeholders — for example, RICs, post-secondary institutions, and technology-focused organizations within Ontario. These partnerships have expanded IPON's client base and marketing efforts and streamlined resources within the ecosystem. Over the past fiscal year, we focused on establishing a strong referral system, partnering to address gaps within the innovation ecosystem, maximizing investment, and entering into formal and informal partnership agreements with other innovation funders who share common clients.

Outside of the scope of IPON's mandate, the agency has acted as **a trusted government advisor to several Ministries and agencies** as subject-matter experts on a broad range of IP, data, and commercialization topics.

Agency Risks and Mitigation Plan

Ministry staff, the Board, and the Interim CEO identified the risks associated with the beta phase. Measures were established to monitor and mitigate these risks and their potential impact. The Board and leadership team will identify future risks as the agency scales up, and plans will be established to monitor and mitigate these risks. IPON will establish an Enterprise Risk Management (ERM) plan in 2023-2024 that is consistent with the provincial ERM directive.

The following is the current risk matrix:

Risk Definition	Risk Category	Likelihood	Impact	Mitigation	End of Fiscal Status
Marketplace confusion from the launch of Elevate IP and other IP service and funding programs.	Strategic-Public Perception	High	High	<ul style="list-style-type: none"> - IPON launched intake for services in October 2022 in advance of Elevate IP's launch and worked to reach out to successful ON-based recipients for partnerships. - Focused marketing strategy for IPON to be implemented. - Working with MCU and MEDJCT to request collaboration requests with other IP funding programs. - Partnership and collaboration with other IP ecosystem funding players to ensure we are aligned in terms of our offerings. 	<ul style="list-style-type: none"> - Risk impact was mitigated due to Elevate IP program delay by 9 months and IPON's ability to launch services quickly and ahead of Elevate IP. - IPON carried out the mitigation plan as identified, including investing in and building strong partnerships with key partners. IPON signed two partnership agreements (i.e., MOUs) and an additional 7-10 are in progress (to be finalized in FY2023-24). - IPON continues an aggressive communication strategy targeting the innovation system, to reduce marketplace confusion.
Implementation Risk: Complexity of establishing an agency and providing services to clients concurrently	Operational-Service Delivery	Medium	High	<ul style="list-style-type: none"> - Internal capacity: Prioritizing a Digital Officer resource (or similar) as part of the startup team to help put in automation 	<ul style="list-style-type: none"> - Building up agency while launching and delivering services proved to be the real challenge for IPON.

Risk Definition	Risk Category	Likelihood	Impact	Mitigation	End of Fiscal Status
and depending on third parties whose availability and timelines may impact implementation timing, as well as procurement of the services.				<ul style="list-style-type: none"> - processes that streamline third-party integration. - Internal capacity: Prioritizing short-term contractor resources to support our required pace of growth vs. establishing additional procurement processes. - Work closely with MCU to seek clear guidance on applicability of various OPS directives and rules, including compliance with procurement principles and best practices. 	<ul style="list-style-type: none"> - IPON has addressed this risk by an efficient combination of short-term contractor services and government transition team resources, as well as building its own permanent staffing capacity. - IPON's Board was also instrumental in providing ongoing hands-on tactical support.
Service Demand Risk: The risk that there are too few or not adequately represented applicants to test our beta needs and meet our target of 40 clients.	Operational-Service Delivery	Low	Medium	<ul style="list-style-type: none"> - Engagement with MEDJCT and partnerships with RICs to ensure potential clients that are directly and indirectly engaged apply. - Resourcing our IP intake processes with external IP experts to provide guidance and advice. 	<ul style="list-style-type: none"> - Risk has not materialized as demand for IPON services significantly exceeded expectations. - IPON received over 250 applications and accepted 40 clients.
Talent Attraction Risk: The risk that IPON will not be able to attract qualified talent required to deliver services.	Operational-Human Resources	Medium	High	<ul style="list-style-type: none"> - Prioritizing hire of Senior HR Manager to have focused in-house hiring support for IPON. 	<ul style="list-style-type: none"> - A Senior HR Manager was hired. However, risk still exists mainly due to IPON's limited ability to offer competitive compensation packages.
Talent & Culture Risk: The risk that IPON will not be able to engage talent due to remote work and fast-paced startup environment.	Operational-Human Resources	Medium	High	<ul style="list-style-type: none"> - Prioritizing hire of Senior HR Manager to have focused talent management for IPON. - Various culture, talent management, and performance-measurement initiatives will be rolled out. 	<ul style="list-style-type: none"> - Risk remains active as IPON faces challenges with maintaining employee engagement due to remote work and fast-paced startup environment (i.e., limited office space and travel and expense restrictions for bringing the team together). - IPON will explore additional office space and further

Risk Definition	Risk Category	Likelihood	Impact	Mitigation	End of Fiscal Status
					investment in team-building activities to bring the staff together on a more regular basis.
Lack of Digital Operations: The risk that IPON will not keep pace with client demand due to manual operations and lengthy procurement processes for software.	Operational-Information Technology	Medium	High	<ul style="list-style-type: none"> - Prioritizing hiring of Director of Digital Operations. - Procurement processes for CRM and other critical software has commenced. - Prioritizing critical hires to support service delivery and back-office operations required for startup and scale-up phase. 	<ul style="list-style-type: none"> - Risk did not materialize during the initial beta phase and IPON managed the 40-client intake using standard IT tools and resources. - However, the probability and impact of risk will most likely increase during the scale-up phase. IPON will move to automated processes in FY2023-24.
Service Demand Forecasting Risk: The risk that funding allocation will not align with service demand, leading to under-spending or unmet client demand, stemming from difficulty in forecasting with precision the demand for services of a new entity initially.	Operational-Finance	High	Medium	<ul style="list-style-type: none"> - An intentional phased implementation plan to enable IPON to scale services according to the budget available. - Expenditure management plan for the remainder of FY2022-23 developed. - Expected changes to the plan will be monitored and discussed. 	<ul style="list-style-type: none"> - IPON accurately forecasted service demand but underestimated the timing required by clients to meet obligations required for the release of funds by IPON. - This resulted in a significant underspend in FY2022-23. - However, IPON has since adjusted its internal processes to support adequate allocation of funding in alignment with service demand and formalized the process for financial expenditure forecasting.
Service Delivery Risk: The Advanced Education program was not managed by IPON, and we did not have the ability to directly control	Operational	Medium	Low	<ul style="list-style-type: none"> - Engaged with eCampus Ontario to be present at their IP expert advisory or other status update meetings with the content creator. 	<ul style="list-style-type: none"> - By the end of the reporting period, the advanced education program is still under development. Ownership of the advanced curriculum was subsequently

Risk Definition	Risk Category	Likelihood	Impact	Mitigation	End of Fiscal Status
the content quality, delivery mechanism, or delivery timeline.				<ul style="list-style-type: none"> - Work closely with eCampus Ontario to ensure all learning objectives are met, and our micro-credential approach aligns with their approach. 	transferred to IPON and is currently being finalized. Residual risk remains due to Ministry approval requirements that may impact launch. IPON is considering the technical requirements for hosting the advanced curriculum which could impact the timing of launch.
Delay in signing MOU between IPON and MCU: Further delays in signing the MOU would have a negative impact on IPON's ability to procure goods and services and make operational decisions.	Governance-Financial	Medium	High	<ul style="list-style-type: none"> - Work closely with MCU to seek clear guidance on applicability of various OPS directives and rules, including compliance with procurement principles and best practices. - Seek Board and Ministry comfort on key decisions and activities where regulatory compliance is ambiguous. 	- The risk did not materialize as the MOU between IPON and MCU was signed in January 2023.
CMPF: Aggressive timelines to develop and submit annual commercialization report of the Ontario post-secondary sector (PSE).	Program-Policy	Low	High	<ul style="list-style-type: none"> - Rely on policy level and staff support from MCU. - Engage a short-term contractor with PSE expertise to process data and information in ACP reports submitted by colleges and universities. 	- The aggressive timeline may continue to pose a risk for the successful delivery of CMPF outcomes in FY2023-24. IPON will be working collaboratively with MCU to meet the timelines and anticipated objectives.

Financial Performance

IPON is solely funded by the Government of Ontario. The financial results covered by this report are for the period April 1, 2022, to March 31, 2023.

As per the funding agreement signed by MCU, IPON received funding of \$4,480,301 to support delivery programs and general operating and service delivery requirements.

The original expenditure budget for IPON for FY2022-23 assumed that the beta phase would launch on April 1, 2022. However, due to delays outside of IPON's control (i.e., writ period and the inability to secure Section 28 approvals), IPON was unable to recruit an Interim CEO or proceed with key planned procurements. Promptly after the end of the writ period, IPON recruited an Interim CEO and moved forward with the recruitment of the senior leadership team. The beta phase was launched shortly thereafter. During the initial launch period, each client company was eligible to receive up to \$25,000 in financial support from IPON. No grants were issued in the 2022-23 fiscal year. As of March 31, 2023, the agency had a lean startup staff of 14 full-time individuals.

IPON's audited financial statements and report from the Auditor General of Ontario for the year end March 31, 2023, can be found in Appendix B.

Looking Ahead

IPON has made significant progress in achieving its overall goals and the mandate set by the province. The actions taken by the Board and agency leadership have laid a foundation for IPON to grow its capacity and capability to deliver the programs and services needed to support IP commercialization and economic growth in Ontario. **The work done over the last year is an enormous step forward in increasing Ontario's competitive edge among global knowledge-based economies.**

The findings and insights from the initial beta phase have informed how the service delivery model will evolve as the organization grows and scales in a way that ensures IPON funds are efficiently and effectively dispersed to reach client targets in numbers, quality, and diversity. The need for IP support is there: the number of applications received indicates strong demand.

Looking ahead, IPON will use the learnings and outcomes from the initial beta phase to inform strategies and plans to scale up and deliver services to support its priority sectors. Over the next fiscal year, IPON intends to expand the availability of services and additional supports to a greater number of clients and sectors in collaboration with MCU and MEDJCT.

Looking ahead, IPON's priorities are:

IP Mentorship:

- Expand access to independent IP experts with a wide range of applied IP knowledge that clients may work with.
- Continue to build an approved roster of scale-up and commercialization mentors (e.g., entrepreneurs-in-residence, executives-in-residence, serial entrepreneurs) and technical IP mentors (e.g., IP lawyers and/or licensed IP agents).

Advanced Education:

- Deliver advanced education programming through a combination of e-learning, live learning, and access to templates and other practical resources.
- Develop educational materials tailored to meet specific needs of current and future eligible clients.

IP Intelligence:

- Establish IP-related market intelligence through access to patent landscapes and datasets that provide actionable insights to accelerate innovation.

IP Networking & Matchmaking:

- Act as an IP “matchmaker” to facilitate connections between IP owners and organizations looking to commercialize IP in the target sectors, including connecting licensors with licensees.

PSE Support:

- Provide funds to support colleges and universities to enhance or accelerate their IP and commercialization capacity in activities that are consistent with IPON’s mandate.

Appendix A: Board Remuneration

Board Member	Position	Per Diem Remuneration Rate*	Remuneration Paid in 2022-23
Karima Bawa	Chair	\$500	\$56,250
Karen McClure	Vice-Chair	\$400	\$12,800
Paul Paolatto	Member	\$300	\$4,450
Elliot Fung	Member	\$300	\$20,000
Hongwei Liu	Member	\$300	\$17,450
Sally Daub	Member	\$300	\$17,450
Dan Herman	Member	\$300	\$14,950

*Remuneration is dictated by a government issued Order in Council.

Appendix B: Financial Statements of Intellectual Property Ontario

Financial Statements of

Intellectual Property Ontario

For the year ended March 31, 2023
and for the period from January 4, 2022 to March 31, 2022

Intellectual Property Ontario

Year ended March 31, 2023 and Period ended March 31, 2022

Responsibility for Financial Reporting

The accompanying financial statements of Intellectual Property Ontario have been prepared in accordance with Canadian public sector accounting standards and are the responsibility of management. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is responsible for the integrity of the financial statements and maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded, and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board, through the Finance and Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Finance and Audit Committee is comprised of Board members who are not employees/officers of Intellectual Property Ontario and generally meets periodically with management and the Office of the Auditor General to satisfy itself that each group has properly discharged its respective responsibility.

The financial statements have been audited by the Office of the Auditor General of Ontario. The Auditor's responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with Canadian public sector accounting standards. The Auditor's Report outlines the scope of the Auditor's examination and opinion.



Peter Cowan
Chief Executive Officer



Thanesh Yogarajah
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To Intellectual Property Ontario

Opinion

I have audited the financial statements of Intellectual Property Ontario, which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Intellectual Property Ontario as at March 31, 2023 and 2022, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022 in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audits in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Intellectual Property Ontario in accordance with the ethical requirements that are relevant to my audits of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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 Intellectual Property Ontario's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Intellectual Property Ontario either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Intellectual Property Ontario's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 the 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 Intellectual Property Ontario'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 Intellectual Property Ontario's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Intellectual Property Ontario 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.

I 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 I identify during my audits.



Bonnie Lysyk, MBA, FCPA, FCA, LPA
Auditor General

Toronto, Ontario
August 10, 2023

Intellectual Property Ontario
Statements of Financial Position
As at March 31, 2023, and March 31, 2022

As at	March 31, 2023	March 31, 2022
Financial Assets		
Cash	\$ 764,909	\$ -
Due from the Ministry of Colleges and Universities (note 3)	1,750,000	-
	2,514,909	-
Liabilities		
Accounts Payable and Accrued Liabilities (note 4)	272,756	-
Net Financial Assets	\$ 2,242,153	\$ -
Non-Financial Assets		
Prepaid Expenses	10,660	-
	\$ 2,252,813	\$ -

Contingency (Note 11)
 Commitments (Note 12)
 Subsequent events (Note 14)

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

On behalf of the Board:



Chair, Board of Directors



Chair, Finance and Audit Committee

Intellectual Property Ontario

Statements of Operations and Accumulated Surplus

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

	Budget April 1, 2022 to March 31, 2023 (note 13)	April 1, 2022 to March 31, 2023	January 4, 2022 to March 31, 2022 (note 8)
Revenue			
Transfer Payments from the Ministry of Colleges and Universities	\$ 4,683,500	\$ 4,480,301	\$ -
	4,683,500	4,480,301	-
Expenses			
Salaries, Wages & Benefits (note 7 and 8)	\$ 1,594,200	\$ 1,250,439	-
One-time Start-Up (note 8)	1,078,000	513,167	-
Grants (note 5)	710,000	-	-
Program Costs (note 6)	720,000	121,850	-
Other (note 8 and 9)	581,300	342,032	-
	4,683,500	2,227,488	-
Annual Operating Surplus	\$ -	\$ 2,252,813	\$ -
Accumulated Surplus, beginning of year	-	-	-
Accumulated Surplus, end of year	\$ -	\$ 2,252,813	\$ -

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

Intellectual Property Ontario

Statements of Changes in Net Financial Assets

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

	Budget March 31, 2023 (note 13)	April 1, 2022 to March 31, 2023	January 4, 2022 to March 31, 2022 (note 8)
Annual Operating Surplus	\$ -	\$ 2,252,813	\$ -
Changes in Prepaid Expenses	-	(10,660)	-
Change in net financial assets	-	2,242,153	-
Net financial assets, beginning of year	-	-	-
Net financial assets, end of year	\$ -	\$ 2,242,153	\$ -

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

Intellectual Property Ontario

Statements of Cash Flows

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

	April 1, 2022 to March 31, 2023	January 4, 2022 to March 31, 2022
Operating transactions		
Annual Operating Surplus	\$ 2,252,813	\$ -
Decrease (increase) in:		
Due from the Ministry of Colleges and Universities	(1,750,000)	-
Accounts Payable and Accrued Liabilities	272,756	-
Prepaid Expenses	(10,660)	-
Cash provided by operating transactions	764,909	-
Net increase in cash	764,909	-
Cash, beginning of year	-	-
Cash, end of year	\$ 764,909	\$ -

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

Intellectual Property Ontario

Notes to Financial Statements

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

1. Nature of the Organization

Intellectual Property Ontario (the "Corporation") was created on January 4, 2022, by Ontario Regulation 4/22 under the *Development Corporations Act, R.S.O. 1990, c. D.10* (Ontario).

Under the Act, the objects of the Corporation are to:

- (a) to increase public access to services and resources in respect of intellectual property in order to advance economic growth and competitiveness in Ontario;
- (b) to support the development and protection of intellectual property to improve the commercialization outcomes of research in Ontario;
- (c) to advance knowledge, and to develop and disseminate educational curricula, best practices and research, in respect of intellectual property, and to advance understandings of domestic and international trends with respect to the protection and commercialization of intellectual property;
- (d) to establish partnerships within and outside Canada with post-secondary institutions, governments and organizations, including organizations that provide supports for businesses and entrepreneurs, for the purpose of building capacity for the development, protection and commercialization of intellectual property in Ontario; and
- (e) to provide advice, recommendations and support to the Government of Ontario, including to the Minister and the Minister of Economic Development, Job Creation and Trade ("MEDJCT"), with respect to encouraging economic competitiveness through the development, protection and commercialization of intellectual property.

The members of the inaugural Board of Directors of the Corporation were appointed March 4, 2022. The Board held its first formal meeting on March 23, 2022.

The Corporation reports to the Ministry of Colleges and Universities ("MCU" or the "Ministry") per Ontario Regulation 4/22. MCU and MEDJCT have signed an inter-ministerial MOU that defines responsibilities of the parties with regards to Intellectual Property Ontario.

The Corporation is exempt from federal and provincial income taxes under the Income Tax Act (Canada).

2. Significant Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

The significant accounting policies used to prepare these financial statements are summarized below.

(b) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, as described below. All revenues are recorded on an accrual basis.

Transfers from the Ministry are referred to as government transfers:

The Ministry contribute funds to the Corporation's operating activities. Transfers from the Ministry are recognized as revenue in the financial statements when the transfer is authorized and any eligibility

Intellectual Property Ontario

Notes to Financial Statements

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability.

Funds received from the Ministry are recognized as deferred revenue when these conditions give rise to a liability. Funds received from the Ministry are recognized as revenue in the Statements of Operations and Accumulated Surplus as the liabilities are settled.

(c) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is expensed.

Grants are recorded as expenses when the transfer is authorized, and eligibility criteria have been met by the recipient.

(d) Prepaid Expenses

Prepaid expenses include subscriptions and licenses and are charged to expense over the periods expected to benefit from it.

(e) Related Party Transactions

Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by related parties.

(f) Cash

The Corporation considers deposits in banks as cash.

(g) Financial Instruments

The Corporation's financial assets and liabilities are accounted for as follows:

- Cash is recognized at cost and is subject to an insignificant risk of change in value so carrying value approximates fair value.
- Due from the Ministry of Colleges and Universities and accounts payable and accrued liabilities are recorded at cost.

(h) Employee Pension Plans

The Corporation's full-time employees participate in the Public Service Pension Plan (PSPP), which is a defined benefit pension plan for employees of the province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPP, determines the Corporation's annual payments to the Plan. Since the Corporation is not a sponsor of the pension plan, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the Corporation, as the sponsor is responsible for ensuring that the pension plan is financially viable. The Corporation's contributions are accounted for as if the PSPP was a defined contribution plan with contributions being expensed in the period they come due.

(i) Employee Benefits

Employee benefits include (1) an additional 6% paid by the Corporation to its employees in lieu of insurance benefits and (2) vacation payable accrual. Both are included in Salaries, Wages & Benefits in the Statement of Operations and Accumulated Surplus.

Intellectual Property Ontario

Notes to Financial Statements

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

(j) Use of Estimates

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported year. Items subject to such estimates and assumptions include accrued liabilities. Actual results could differ from those estimates.

3. Due from the Ministry of Colleges and Universities

As per the Funding Agreement signed by the MCU, funding of \$1,750,000 was authorized on March 22, 2023 and received by the Corporation on April 11, 2023. This funding is to support delivery programs and general operating and service delivery requirements of the Corporation.

4. Accounts Payable and Accrued Liabilities

Accounts Payable relate to normal business transactions with third-party vendors.

Accrued Liabilities relate to accruals for normal business transactions with third-party vendors.

Accrued Salaries, Wages and Benefits relate to accruals for salaries, wages and benefits.

	2023	2022
Accounts Payable	\$ 120,504	\$ -
Accrued Salaries, Wages and Benefits	120,077	-
Accrued Liabilities	32,175	-
Total	\$ 272,756	\$ -

5. Grants

The Corporation provides its clients with financial grants to subsidize the cost of IP protection and commercialization services. During the initial launch period, each client company is eligible for up to \$25,000 in financial support from the Corporation. No grants are recorded in 2022-23 fiscal year.

6. Program Costs

Program costs include the Corporation's services to clients related to IP education and awareness, IP advisory services (e.g. mentoring, sharing IP market data), IP assessment and valuation services. Program costs also include capacity building services to post-secondary sector stakeholders.

7. Employee Future Benefits

The Corporation has a defined benefit pension plan with the Public Service Pension Plan for all its employees. The Corporation (employer) matches employee contributions 100%. The employee's contributions are 7.4% of annual salary up to the Year's Maximum Pensionable Earnings (YMPE), and then 10.5% of the annual salary above the YMPE. During fiscal 2023, the pension benefits of \$54,192 (2022 – \$nil) are included in Salaries, Wages & Benefits in the Statement of Operations and Accumulated Surplus.

Intellectual Property Ontario

Notes to Financial Statements

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

In fiscal 2023, the Ministry of Economic Development, Job Creation and Trade seconded staff to a unit dedicated to the Corporation. The related costs of the pension plan provided to the seconded staff are paid by the Province and are not included in these financial statements.

8. Related Party Transactions

During fiscal year 2022-23, in support of the Corporation's operations, the MEDJCT provided seconded staff, and the Ministry provided goods and services to the Corporation on a cost basis, as follows:

- The MEDJCT recovered salaries and benefits (excluding pension costs as noted in Note 7) of seconded staff totaled \$401,450 (2022 - \$nil) and is recorded in Salaries, Wages & Benefits on the Statement of Operations and Accumulated Surplus.
- The goods and services provided by the Ministry to the Corporation on a cost basis totaled \$578,851 (2022 - \$nil) included in One-Time Start Up Expenses on the Statement of Operations and Accumulated Surplus is \$470,338 (2022 - \$ nil) and \$108,514 (2022 - \$ nil) in Other Expenses.

During fiscal year 2021-22, the Corporation was operated by the Ministry. The Corporation did not have any staff or transactions. The establishment costs during fiscal year 2021-22, which amounted to \$72,191, were absorbed by the Ministry and are not included in the Statement of Operations and Accumulated Surplus. In addition, establishment costs during fiscal year 2022-23 of \$12,500 were also absorbed by the Ministry and not included in the Statement of Operations and Accumulated Surplus.

9. Other Expenses

	2023	2022
Board of Directors	\$ 146,929	\$ -
Office and General	52,798	-
Travel	47,717	-
Marketing	28,013	-
Accounting	24,749	-
Information Technology	23,296	-
Insurance	18,530	-
Total	\$ 342,032	\$ -

10. Financial Instruments Risk Management

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its cash flow obligations as they fall due. The Corporation's exposure to liquidity risk is minimal as all operations funding is provided by the Ministry. The Corporation mitigates its liquidity risk by preparing cash forecasts and regular reports to the Ministry.

11. Contingency

Based on the funding arrangement between the Corporation and the Ministry, the Ministry will reduce 2023-24 fiscal year allocation to the Corporation by the amount of 2022-23 fiscal year end annual operating surplus.

Intellectual Property Ontario

Notes to Financial Statements

For the year ended March 31, 2023 and for the period from January 4, 2022 to March 31, 2022

12. Commitments

The Corporation does not have any multi-year contractual commitments.

13. Budget

For the period January 4, 2022 to March 31, 2022, the Corporation was managed and operated by the Ministry. There was no budget for the Corporation for the period ended 2022.

14. Subsequent events

In April and May 2023, the Corporation signed seven transfer payment agreements with colleges and universities to provide \$2,000,000 of funding for IP commercialization support.