



2021 ANNUAL REPORT







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REPORT OF THE CHAIR

2021 has been an unprecedented year or did I say that last year! It seems that every year is becoming unprecedented. What has made it so?

It was the 2nd year of a global pandemic and the challenges of dealing with public health ordered plant closures due to COVID outbreaks. Despite many of our processing facilities being affected, no birds were left behind thanks to the collaborative and cooperative efforts of the processors not affected and growers working with their processors to delay pick-up. The east-west differential in market demand also made national allocation decisions challenging, however in the end BC was able to secure the allocations to ensure that BC market demand was met throughout the year. Hopefully we will have exhausted the Greek alphabet before the start of 2022!

Then came the summer and the impacts and effects of a weather induced heat dome which saw record high temperatures throughout the province. Despite the excessive heat, the growers were able to manage the barn environment and minimize loss. The experience has resulted in many growers examining options for upgrading their facilities to enable them to better manage in the future.

Late fall brought the rains, in record amounts in November due to an Atmospheric River that caused extensive flooding of the Sumas Prairie in Abbotsford and damaging provincial road and rail routes. Not only were farms impacted by flood waters, but the entire poultry and livestock sector in BC was put in jeopardy by the loss of the transportation networks that we depend on to supply feed ingredients.

The Sumas flooding resulted in 24 broiler operations being under evacuation order. While losses were incurred, the overall impact represented less than 10% of the total provincial production. What was truly amazing was the creativity of growers and catching crews to get to flooded farms and recover birds for processing. The loss of transportation routes to the Interior also required processors to alter their production and negatively

impacted their ability to serve markets in the Interior.

Despite the major occurrences one thing remained constant; the collaboration and cooperation throughout the BC poultry industry. I express my sincere thanks to all of the members of the poultry value chain; from the hatching egg producers, to the hatcheries, to the growers, to the processors, to the feed industry, the poultry health service providers and the numerous other service providers. Additionally, it goes without saying the BC Poultry Incident Command System and Emergency Operations Centre is second to none in their ability to quickly get set up and respond to the needs of the poultry industry during emergency situations in BC, irrespective of what sector is challenged.

Also, 2021 marked a milestone for the BC Chicken Marketing Board; I quote from the 1961 Ministry of Agriculture Annual Report, “For the first time in recent years, the production of broilers outstripped immediate market capacity, driving producer prices down to 16 ½ cents per pound.” It was also reported “the British Columbia Broiler Marketing Scheme, 1961, was voted on, and received the endorsement of 84 per cent of the eligible producers.

On December 12, 1961, the British Columbia Broiler Board was established by way of Order in Council 3093-1961, the British Columbia Broiler Marketing Scheme. This milestone achievement is underscored by the fact that BC was the first poultry marketing board in Canada. It is important to also remember and acknowledge the first three members of the BC Broiler Marketing Board who were appointed by the Order-in-Council; Robert Blair, who was subsequently elected the first Chair, Ken Nelson and Wil Van den Born. These three set the broiler industry in BC on the path of change that would strengthen our ability to provide quality chicken products to BC consumers.

The BC chicken industry should be proud of its achievements after 60 years and its resilience and responsiveness to meeting the ever changing demands of consumers for BC grown chicken. Thanks to all of

those who are involved in the BC chicken industry value chain for you part in this success!

While overshadowed by the events previously described, the Board has continued to pursue a long-term pricing formula to serve the best interests of the BC chicken industry. The challenge remains finding the right balance of reasonable returns to growers and maintaining processor competitiveness in Canadian markets. The Board appreciates the patience of all parties as we work towards final decisions. It is expected that the Board will file its final decisions and recommendations to the BC Farm Industry Review Board's Pricing Review Panel early in the new year.

The Board will also be unveiling its new strategic plan that identifies the key industry priorities requiring Board attention in the new year.

Adding to the list of milestone achievements in 2021; congratulations to Bill Vanderspek on his retirement on August 31st after 18+ years, first as board member then as Executive Director. Bill has led the Board through many difficult and challenging times. His experience will be appreciated in his new role as appointed member to the Board. Also newly appointed to the Board in October was Carol Paulson. Welcome Carol and I look forward to your continued active participation on the Board. Thank you to Alistair Johnson and Gay Hahn whose terms of appointment expired in September for your contributions to the Board over the past two years.

I was pleased to announce the addition of Woody Siemens as Executive Director effective January 4, 2022. I look forward to Woody joining the Board and applying his leadership talents to realizing the opportunities and challenges facing the BC Chicken industry. Thank you to Christine Rickson for accepting the challenge and admirably filling the role of Executive Director while the Board conducted its executive search.

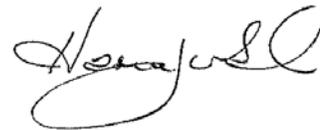
I appreciate the valuable contributions of Derek Janzen and Ray Nickel as the grower-elected members of the Board. They have demonstrated their ability to remain objective in representing the interests of growers while at the same time listening and being open to the views of the other members of the chicken industry value chain. They provide a strong voice at the Chicken Farmers of Canada; in achieving the appropriate balance of BC

versus national interests.

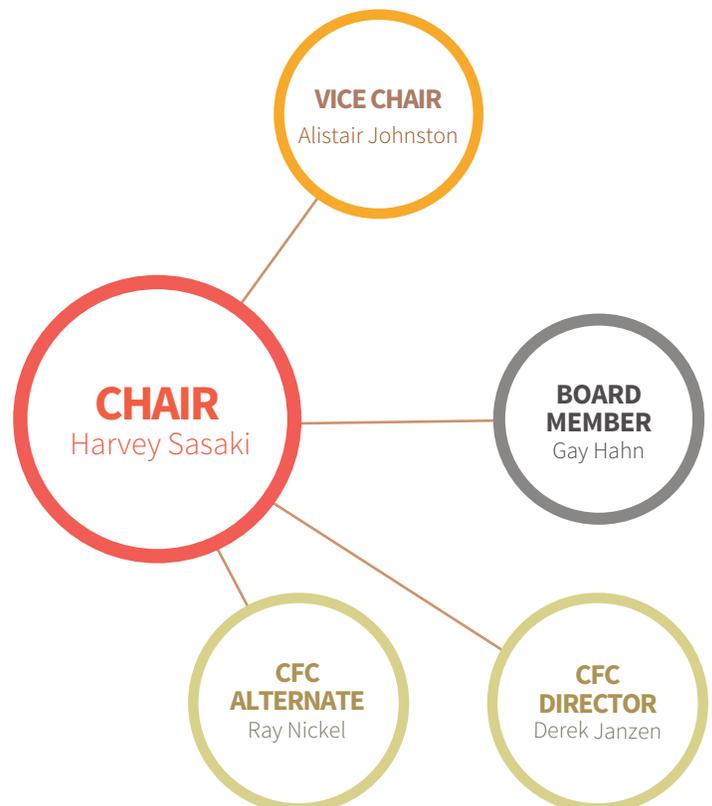
Last but, not least thank you to the staff, Christine Rickson, Acting Executive Director, Shawn Mallon, Manager of Administration, Cheryl Davie, Manager of Strategic Initiatives and Analysis, Karlie Erickson, Production Coordinator, Guzel Gafurova, Accountant, Kira Neu, Inspection, Kelci Leuzinger, Inspection, Dani Lane, Inspection and Debora Ferreira, Reception. Your resilience and adaptability to change is greatly appreciated. You have been able to maintain service levels despite the challenges of COVID and ensuing extraordinary events.

I look forward to a "new normal" 2022!

Respectfully submitted,



Harvey Sasaki



REPORT OF THE EXECUTIVE DIRECTOR

During the calendar year 2021, British Columbia's 312 chicken growers produced 256.2 million kilograms (live weight) of chicken (an increase from last year of 0.64%). In 2021, BC produced 100.0% of its periodic allocation.

We have now spent our first year at our new McCallum Junction location at #220 – 1848 McCallum Road in Abbotsford. Unfortunately, due to the continuing COVID-19 pandemic, the office remains closed to visitors without scheduled appointments.

This is the 60th Anniversary of the BC Chicken Marketing Board! The corporate seal logo has been updated to incorporate 1961-2021, and graces the cover of this report.

The BCCMB Board room was named in honour of R.A. (Bob) Blair who was the first Chair of the BCCMB in 1961. He contributed much during the early days of the BC Chicken industry.



Ron Blair (Pictured here) is the owner/operator of Ratheane Farms in Abbotsford, and a nephew of Bob Blair.

In honor of the 60th anniversary of the BC Chicken Marketing Board, a scaled back celebration was scheduled for December 8, 2021 at the Board's

Christmas Luncheon for growers held at Newland's Golf and Country Club in Langley. In attendance was the Minister of Agriculture Lana Popham, Assistant Deputy Minister Arif Lalani, Megan Dykeman MLA Langley East and Andre Mercier MLA for Langley along with past Board member Alistair Johnston and past Executive Director and new Board members Bill Vanderspek and Carol Paulson. It was nice to get together after such a long absence.

COVID-19 PANDEMIC:

The pandemic continues to disrupt supply management, with continuing labour and supply shortages. Various BC processing plants from all regions of the province were temporarily shut down for a maximum of 2 weeks in January, March, and May. Throughout these trying times, all stakeholders continued to come together to maintain our number one priority of keeping store shelves well stocked with fresh BC grown and processed chicken for BC consumers. Due to an incredible amount of work, planning and continued collaboration and cooperation by BC processors all birds were able to be processed and on farm euthanasia was avoided. The Board's appreciation goes out to growers that continue to provide the flexibility that is required in order to be able to adjust their processing schedules to accommodate all of the birds during this time. The Board would like to acknowledge and thank all of those involved including processors, hatcheries, processing plant staff, live haul operators, catching crews and chicken growers. It is truly gratifying to witness once again how the BC chicken industry can come together during a time of crisis.

ALLOCATION REVISITATION DUE TO COVID-19 PANDEMIC:

During the pandemic changes were made to the national periodic allocation as provinces dealt with labour shortages. The following table summarizes the changes made. Some of the changes bridge 2020 and into 2022. Also, BC's numbers may not reflect the percentage due to the differential growth allocation agreement, BC's amount of growth that is allocated based on comparative advantage factors is less than would have been allocated under the former pro-rata growth and actual growth.

A-167 (Dec 20, 2020 – Feb 13, 2021)	No change
A-168 (Feb 14, 2021 – Apr 10, 2021)	1% decrease in allocation. BCCMB did not make any changes to the provincial allocation numbers as processors indicated a need for the product.
A-169 (Apr 11, 2021 – Jun 5, 2021)	No change
A-170 (Jun 6, 2021 – Jul 31, 2021)	No change
A-171 (Aug 1, 2021 – Sep 25, 2021)	1.5% increase in domestic allocation (37,290,410 to 37,794,905 kg live weight)
A-172 (Sep 26, 2021 – Nov 20, 2021)	No change
A-173 (Nov 21, 2021 – Jan 15, 2022)	1% decrease in domestic allocation (35,558,307 to 35,230,195 kg live weight)

A-173 (November 21, 2021 to January 16, 2022)

On August 25, 2021, the Directors of Chicken Farmers of Canada (CFC) reconsidered the A-173 allocation at the behest of the Canadian Poultry and Egg Processors Council (CPEPC) who cited new information that was not available at the time the allocation was originally set on August 10th. The decision of the CFC Directors was to lower the A-173 allocation by 1% to 4% above adjusted base.

This change required the BCCMB office to re-issue Quota Production Allotments (QPA's) to all growers for A-173 (shipments November 21, 2021 to January 16, 2022). The change to the QPA's were issued to all growers on August 26, 2021.

CFC FRAMEWORK FOR REGIONAL ALLOCATION APPROACH AND RECOVERY PROCESS:

Covid-19 affected different regions of Canada differently as time went by. More product was needed in the West than in the East due to different lockdowns and labour issues at various processing plants. In periods A-163 and A-164, regional allocations were set by CFC on the condition that a recovery process was put in place, which allowed the West to grow more product to supply its markets than what was grown in Central and Eastern Canada.

During this timeframe the West was allocated 5,309,340 kg more than the East. BC's portion of that number was 2,291,398 kgs. It is the amount that needs to be repatriated to the East over an 18 period timeframe (not necessarily consecutive) starting in A-174 (estimated to be completed by December 2024 or A-192).

The recovery will only occur in periods when the national allocation is set at 1% or higher above the base allocation. The recovery kilograms will be applied after all other components of the allocation formula have been applied. Recovery allocation will be excluded from the initial base allocation calculations and will be excluded from the Atlantic Canada Safeguard Agreement eligibility calculations.

BC HEAT DOME:

Between June 24-30, 2021 British Columbia experienced a heat dome event. A heat dome is a high pressure weather system that traps heat. BC experienced record high temperatures of 49.6 degrees Celsius. Despite pro-active and ongoing animal care practices by growers, the excessive heat was so extreme that it resulted in a number of bird fatalities. Birds were lost on a total of 46 farms out of the 312 BC chicken farms. On these farms, the total number of birds lost was 416,146 which represents approximately 16% of the BC total weekly allocation.

BC ATMOSPHERIC RIVER EVENT AND SUBSEQUENT FLOODING OF SUMAS PRAIRIE AND OTHER AREAS OF THE LOWER MAINLAND:

In a matter of days from November 13 – 15th, extreme rain began to swamp southern BC. This caused the flooding of rivers and farmland and triggered mudslides that blocked every major highway and rail line connecting the Lower Mainland to the rest of Canada. As a result, the Lower Mainland was isolated from the rest of the province due to significant flooding. It has been one of the most severe natural disasters to strike BC in generations. The sheer scope of the damage is difficult to comprehend. The rain would break dozens of all-time rainfall records (dumping nearly a month's worth of rain in just over 48 hours).

By November 16th rescue efforts commenced for people and animals stranded in areas by Abbotsford surrounded by water. TransCanada Highway #1 disappeared in the eastern portion of Abbotsford after water from the Nooksack River from Washington State (USA) gushed into the Sumas Prairie. As of noon November 16th, there were 32 evacuation orders in the province, two of these orders impacted the Sumas Prairie and Yarrow areas of the Fraser Valley.

61 poultry farms were under evacuation order, with some of the farms experiencing significant flooding and losses. There were challenges getting supplies in and out of the Lower Mainland, including animal transport and feed ingredients. Farms were placed on maintenance rations. The flooding of the Sumas Prairie area affected 24 broiler poultry operations and another 7 in Yarrow.

The nightmare in Abbotsford escalated as the city feared the Barrowtown Pump Station (meant to prevent the Sumas Prairie from reforming into the lake it used to be) could fail within hours. If the pumps failed, even more water from the Fraser River would rush into the already flooded area at a “catastrophic” rate. Thanks to the efforts of hundreds of volunteers working through the night, the pump station was saved.



WINDSOR CASTLE

My thoughts are with the people of British Columbia as you continue to confront the recent catastrophic flooding and gradually begin the process of recovery and rebuilding. I am grateful for the tireless work of the many first responders and volunteers who continue to provide comfort and support to their fellow Canadians during this difficult time.

ELIZABETH R.

22nd November, 2021.

A poultry task force was created to establish routes, priorities, age of flocks and coordinate with processors and catching crews to get birds out of the affected area. Feed Mills worked together to manage feed supply and delivery. The Ministry of Agriculture provided crucial assistance to procuring feed ingredients from the Port of Vancouver. Canada Border Services Agency developed emergency protocols to facilitate the movement of goods impacted by the flooding situation in BC while respecting the relevant laws and regulations that govern our joint Canada-US border and national interests.

On November 19th the province begins to ration gasoline (excluding essential services) as the storm severed supply lines. The rationing of gasoline continued until December 14, 2021. Non essential travel was banned on major roads that did manage to reopen (highways #3, 7 and 99).

The Ministry of Agriculture team within the Emergency Operations Center began coordinating transport and disposal of livestock carcasses. The focus shifted from emergency management to recovery and advanced planning; including clean-out, disposal, cleaning and disinfecting barns prior to placement.

The task force was demobilized on December 5, 2021 as more access points to the flood zone were opened, and the evacuation zone was shrunk. As of December 8, 2021 the City of Abbotsford downgraded the South area of Sumas Prairie from Order to Alert, which resulted in 43 regulated poultry premises remaining under evacuation alert; none are under evacuation order. On December 23rd the City of Abbotsford rescinded the Sumas Prairie Evacuation Order of Alert effective at 4:00 p.m. Of the 43 premises 24 were chicken farms, though not all of them were flooded. The total mortality for the affected chicken farms in the Sumas Prairie evacuation zone was 499,764 birds.

I would like to personally acknowledge the tireless assistance provided by Chair Harvey Sasaki to the entire Poultry Industry during this time of crisis.

FEDERAL GOVERNMENT PROGRAMS TO DELIVER FULL AND FAIR COMPENSATION FOR CHICKEN, TURKEY AND EGG FARMERS:

On April 13, 2021 the Federal Minister of Agriculture and Agri-Food announced details of two new programs designed to help drive innovation and market development for Canada's 4,800 chicken, turkey and egg farmers. These programs, totalling more than \$691 million over 10 years, respond directly to requests from producer associations and provide full and fair compensation for market impacts from the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP).

POULTRY AND EGG ON-FARM INVESTMENT PROGRAM (PEFIP):

The money will be distributed over 10 years through on-farm investments. Producers will be entitled to an amount proportional to their quota holdings as of January 1, 2021. Eligible projects are anything that helps a producer modernize, become more competitive and adapt the changing consumer preferences. This includes new barn construction, or upgrading equipment like feeding, watering, lighting, ventilation, heating, and comfort systems that will promote energy efficiency and reduce environmental footprint. The Government of Canada will contribute up to 70% of the project cost, a ratio increasing up to 85% for young farmers to help ensure a strong future for Canada's farms. PEFIP will provide non-repayable contributions of almost \$647 million over 10 years of which \$347.3 million is for chicken producers.

Growers are strongly encouraged to sign up immediately. Growers should register with PEFIP using their licence information. Upon validation, growers will see their maximum funding amount to plan their project. Growers can submit their project application(s) over the ten-year period for their on-farm investments. Applicants have the flexibility to seek funding for eligible activities that started on or after March 19, 2021 and all project activities must be completed by March 31, 2031.

MARKET DEVELOPMENT PROGRAM FOR TURKEY AND CHICKEN:

This program will provide \$36.5 million for Turkey Farmers of Canada and \$25 million for Chicken Farmers of Canada over 10 years. The funding will help promotional activities that differentiate between Canadian-made products' reputation for high-quality, safe, sustainably farmed food that adheres to strict animal welfare standards. Funding will be distributed to the national industry organizations, who will submit a multi-year strategy to Agriculture and Agri-Food Canada for approval. The intake for applications from these organizations launched on April 13, 2021.

LONG TERM PRICING FORMULA:

The FIRB Supervisory Review continues to unfold, and is taking much longer than originally anticipated to reach a conclusion. The Board continues to engage stakeholders upon receipt of written submissions after the Board provided industry with its initial draft decision in May of 2021, which was met with resounding objection. The preliminary decision was:

Preliminary Decision - Long-term Objective

- BC Stand alone COP
 - Consistent with pricing used for organic and specialty.
 - Consistent with pillars of supply management.
 - Greater transparency.
 - Reduced requirement / dependence on "modifying" Ontario COPF.
- Address limitations of current linkage COP:
 - Third party validation of methodology and assumptions
 - Establish statistically sound sample size
- Conduct of grower surveys
- Update COP
 - Stakeholder review and third-party validation.
- Up to 2-years required to implement

Preliminary Decision - Interim Formula

1. Effective with the first period following approval by BCFIRB, the Board will set a live price for mainstream chicken in accordance with the following formula:
2. $BC \text{ Posted Price} = Ontario \text{ Price} + \$0.0365 \text{ (catching)} + 75\% \text{ of the difference in the feed costs and } 100\% \text{ of the difference in chick costs of growing a kilogram of live chicken between Ontario and BC.}$
 - a. The Ontario price will be the posted price at the weight category (2.15 kg to 2.45 kg). The Board will continue to exclude Modular loading, AI insurance and OBHECC emergency depopulation costs and any other costs which are unique to Ontario.
 - b. The difference in feed and chick costs will NOT be calculated based on a 6 period rolling average.
 - c. The price inclusive of catching at 3.65 cents/kg. Any increase or decrease to the price of catching must be approved by Board and will be reflected in the BC live price going forward.
 - d. Guardrails: Will now be linked to the Serecon COP recovery. Upper rail 102%, lower rail 95%.

Preliminary Decision - Interim Formula

In the interim, once this formula has been approved by BCFIRB and in effect the Board will:

- Institute a 13 period moratorium on grower movement between processors unless all parties mutually agree and gain the approval of the Board, which will not be unreasonably withheld.
- Instruct the PPAC to review the existing BCCMB pricing grid (Schedule 3) to better align with current BC processor and grower needs.

While in use the BCCMB will continue its work to achieve consensus on the following outstanding items:

- An agreement with BCBHEC on chick price setting to ensure that "reasonableness" and "efficiencies" in COP are realized, including, but not limited to:
 - Reduction in first week mortalities to a maximum average of 1%.
 - Agreed upon standard hatchery vaccination program cost.
 - Agreed upon hatchery margin.

Summary of Preliminary Decision was to:

- *to implement a BC COP within 2 years,*
- *and in the interim use a pricing formula*
 - *which would reflect 100% of the chick cost difference between BC and Ontario and*
 - *continue to reflect 75% of the feed cost difference between BC and Ontario.*
 - *The guardrails would change from the current fixed numbers of 9.70 cents and 12.49 cents to*

95% of Linkage COP as the lower guardrail and 102% as the upper guardrail.

- *The Ontario weight category would change to 2.15 - 2.45 kg.*
- *There would be a moratorium on grower movement for 13 cycles while the COP is being updated.*

Since that time, the Board has worked on attempting to bring the two radically opposite sides together. A different solution for both an interim and long term decision has been proposed, in an attempt to achieve consensus to be able to provide FIRB with an agreed upon solution and plan going forward for the chicken industry. A series of 3 without prejudice meetings were undertaken with the growers and processors to see if the two side could reach consensus which could be taken forward to FIRB. The Board provided analysis of its proposal at that time. The Board was unsuccessful in obtaining consensus on the two proposals, but achieved better understanding on the points of agreement and disagreement. The Board's next step is to return to and complete the formal process in January of 2022.

The Board's final preliminary decision will be published, and a round table of the participants will occur with the view to providing clarity of the decision. After that the Board will provide 2 weeks for further final written submissions, and then finalize its report for FIRB. It was the intention of the Board to provide its final decision to the FIRB Supervisory Panel in time for a FIRB decision and possible implementation for quota period A-174 (January 2022). This timeline was not met due to the atmospheric river event. The timeline has been pushed off until A-176. The Board will have its final draft decision out mid January 2022 for a roundtable discussion, final input from stakeholders shortly thereafter and will provide FIRB with a final decision and rationale by mid February then giving FIRB approximately 9 weeks to the start of A-176.

The Board understands the frustration felt by all parties due to the delay and evolving timelines, but this is an important issue for all stakeholders and will change the face of the chicken industry for years to come.

ORGANIC COP

The Organic COP update was due to be fully reviewed and in place for quota period A-170 (June 6, 2021). It was delayed due to variation in organic vaccination programs, Land (rental rates), depreciation on buildings equipment (change from 30 years to 40 years), inclusion of levies into COP. It was completed and used for the first time in quota period A-171. The next full update will occur in 5 years around September 2026.

SPECIALTY COP UPDATE:

The Specialty COP update was due to be fully reviewed in June of 2021. The decision of the Board was to delay the start of the review due to the Long Term Pricing Formula (LTPF) and the lack of resources to complete the project. The review will commence once the LTPF has been sent to FIRB for a decision, some time in the New Year.

QUOTA INCREASES UPDATE:

20% Specialty Expansion Update:

The quota expansion for Specialty New Entrant Chicken Growers occurred in A-157 (June 2019) and for all qualifying specialty chicken growers in A-159 (September 29, 2019). Everyone had one year to build to provide space. The Board is pleased to announce that all but three growers received the entire amount of the incentive and/or 20% specialty quota increase. A total of 7,225 kgs was not issued in total due to lack of space by the deadline or because they sold quota prior to the increase being issued.

20% Mainstream (regular broiler) Expansion Update:

The quota expansion for Mainstream Chicken Growers occurred in A-164. Everyone had one year to build to provide space. The Board is pleased to announce that all but three growers received the entire 20% incentive quota increase. A total of 6,985 kgs was not issued in total due to lack of space by the deadline or because they sold quota prior to the increase being issued.

BCCMB STRATEGIC PLAN:

The Board continued to do the work necessary to complete the development of a new 3 year strategic plan. Industry was engaged by MNP to provide a holistic environmental scan which was completed in early September. Key trends will be turned into actionable items with key strategic priorities. It is the intention of the Board to complete this file in early January 2022. More details will be provided in the Manager of Strategic Initiatives report later in this document.

AMENDMENTS TO GENERAL ORDERS:

During 2021, a few amendments were made to the General Orders.

Scheduled elimination of Mandatory BC Bio-Security Program:

Growers were notified on July 9, 2021 that effective January 16, 2022 (start of quota period A-174) the Board eliminated the BC Poultry Bio-Security Program. The BC Poultry Bio-Security Program was an industry lead initiative arising from the 2004 Avian Influenza outbreak that encouraged growers to follow bio-security protocols based on scientifically sound principles that reduced the rise of disease introduction into a production unit, regardless of species. The program was developed with the BC Poultry Association (BCPA) with the assistance of Veterinarians and the support of the BC Ministry of Agriculture and Lands. The program recommendations were mandatory for all BC poultry, including broilers, layers, broiler breeders and turkeys.

The BC Poultry Bio-Security program came into force March 17, 2007 for chicken. Individual commodity national food safety and animal care programs supersede the BC Poultry Bio-Security Standards where necessary.

The BCCMB undertook a GAP analysis between the three programs (CFC OFFSP, CFC ACP, and BC Biosecurity) with a view to eliminate duplication. The Board reached the conclusion that the evolution of the two CFC programs

has rendered the BC Bio-security program obsolete for broiler chicken. After consultation with the BCCGA, the Board made the decision to no longer participate in or audit the BC Bio-Security Program as its standards and protocols are encompassed in the National Programs. The scheduled withdrawal from the program will commence January 16, 2022 (the start of quota period A-174). All growers were still required to be certified for the year 2021.

This change to the General Orders affected Part 1, Part 30, Part 31, Part 32, Part 36, Part 42, Part 46, Part 52 and resulted in the deletion of Schedules 17 & 18. It also required the addition in Part 1 - Definitions, for the term "Secure Barrier". Sections from Schedule 18 were incorporated into Part 52 - Failure to Comply.

Going forward BCCMB Field Services Staff will continue to participate in assisting the BCPA review and develop its bio-security standards for other feather industries and to ensure that there continues to be no gaps between the programs being used by the BCCMB due to changes reflected in the BC Bio-security Standards.

We also amended reference in the Orders to reflect the new name of the CFC Program to OFFSP (On Farm Food Safety Program) from OFFSAP (On Farm Food Safety Assurance Program).

ADMINISTRATIVE PENALTIES (AMP'S) UPDATE:

In May of 2021, BC FIRB provided a final framework for commodity Boards and next steps for the use of Administrative Monetary Penalties. FIRB instructed Board's that do not plan to utilize administrative penalties to provide a SAFETI and rationale which must include a description of current enforcement-related authorities, tools and processes used for a graduated approach to enforcement of mandatory bio-security programs.

The Board decision of May 25, 2021 was to reaffirm its 2016 decision to not proceed with using Administrative Monetary Penalties. A SAFETI analysis was provided at that time. The Board is satisfied that the current

General Orders provides a process for key steps and decisions that enforce compliance to mandatory programs through education and mentoring; increased awareness, graduated application of existing production penalties, and reporting to the public through the BCCMB Annual Report along with annual recertification in all mandatory programs.

By way of letter dated December 22, 2021 FIRB informed all commodity boards that its decisions and directions respecting boards that do not plan to utilize AMP's would be released shortly. That decision was circulated and FIRB has ordered the BCCMB to:

1. *Participate in AMP's policies and procedures development by the Egg Board, BCBHEC and Turkey Board.*
2. *Subsequently reassess, whether there is a sound marketing policy rationale to support the implementation of AMP's.*

FIRB will monitor and assess commodity boards progress in 2022.

APPEALS:

Cedar Creek Judicial Review – Court of Appeal:

Cedar Creek Farms filed a petition to the Supreme Court of BC on July 2, 2019 arising from the Board's decision to deny his request to remove the restrictions on his Vancouver Island New Entrant Quota. The BC Supreme Court rendered a decision in his favour; however, the Board in 2021 filed a petition to the BC Court of Appeal to overturn the lower courts ruling.

This matter was finally resolved at the BC Court of Appeal. The Board and FIRB prevailed and the chamber judge's decision was overturned. The Court of Appeal found the chambers judge erred in finding that there was procedural unfairness in the FIRB process. The FIRB process was found to be fair, and properly informed by the principles of natural justice and procedural fairness. The Court of appeal set aside the order of the chambers judge and restored the decision of FIRB.

The restrictions place on Vancouver Island New Entrant Quota stands.

Pricing Appeals by PPPABC:

The PPPABC have appealed the following decisions of the Board respecting mainstream pricing orders for quota periods in 2021: A-169 Exceptional Circumstances decision, A-170, A-171, A-172, A-173. The Board did not find exceptional circumstances for quota period A-169 and consequently did not amend the pricing order. FIRB has deferred all appeals until after the conclusion of the FIRB ordered Pricing Supervisory Review.

The PPPABC also appealed directly to FIRB citing instability and the current pricing structure in response to commodity Board submissions. On July 8, 2021 the FIRB supervisory panel advised the chicken sector it would review the Interim order it made on July 3, 2020 that:

- *44. The Chicken Board and the Commission are directed not to change any aspect of the current pricing structures as defined in this decision, unless by the way of BCFIRB prior approval or until such time as BCFIRB determines otherwise.*
- *45. The Commission and the Chicken Board are directed not to exit the price linkage agreement without BCFIRB prior approval.*

BCFIRB asked for written submission, that would then be reviewed and responded to by the BCBHEC and the Chicken Board, and all parties, that demonstrated how one or more of the current pricing structures were resulting in industry instability. FIRB asked for these submission, in part, because the PPPABC raised concerns about the stability of current pricing structures. The submissions were required to include a definition of industry instability together with measurable or substantiated objective evidence and/or data, on how this instability was being experienced.

BCFIRB was not given any measurable or substantiated objective evidence or date of industry instability during this process, and as a result, decided to not amend or rescind its Interim Orders of July 3, 2020.

Pricing Appeals by BCCGA:

The BCCGA have appealed the following decisions of the Board respecting mainstream pricing orders for quota periods in 2021: A-173 Exceptional Circumstances decision. The Board did not find exceptional circumstances for quota period A-173 and consequently did not amend the pricing order. FIRB has deferred all appeals until after the conclusion of the FIRB ordered Pricing Supervisory Review.

FOIPPA Requests:

The Board received a request under the Freedom of Information and Protection of Privacy Act in July of 2021. Aaron Hofman of the Animal Justice League requested information respecting the chicken mortalities during the BC Heat Dome (June 24-30, 2021). He was provided with the following information: 416,146 birds were lost out of 2,500,000 birds originally placed on 46 farms.

The Board received a request under the Freedom of Information and Protection of Privacy Act on December 15 of 2021. Aaron Hofman of the Animal Justice League requested information respecting the total number of livestock mortalities in the chicken sector from November 14 - December 13, 2021 (during the flooding and extreme weather events in British Columbia). He was provided with the following information: 499,764 birds were lost.

CFC Judicial Review:

Canadian Poultry and Egg Processors Council (CPEPC), Association of Ontario Chicken Processors (AOCP), Conseil Québécois de la Transformation de la Volaille, Maple Leaf Foods, Maple Lodge Farms Ltd, Sargent Farms, Pinty's Delicious Foods Inc, LaPlante Poultry Farms Ltd, Riverview Poultry Ltd, Olymel SEC/LP, Exceldor Cooperative, Ferme des Voltigeurs Inc, Vollaille Giannone Ince, Volailles Marvid, Hallmark Farms, Sunrise Farms, Sofina Fodds and Sunnymel LP brought a suit in Federal Court against the Attorney General of Canada, CFC, BCCMB, ACP, CFO, EVQ and CFNS.

Affidavits were filed in Federal Court, and in-person cross examination occurred in October 2021. Factums were to be submitted to the court by the applicants on November 15th while the respondents were submitted

December 15th. The deadline for the Intervenor's record to be filed in court is January 7, 2022.

The BC Board, as a named party to the suit, has been fully participating. This legal matter was settled between Farm Products Council of Canada (FPCC) and Canadian Poultry and Egg Processors Council (CPEPC) on November 8, 2021 by an out of court agreement.

SPCA UPDATE:

On June 24, 2021 the Board received a letter from the BC SPCA announcing that they have advised the Minister of Agriculture that they intend to begin unannounced proactive inspections of regulated activities. They also stated in the letter that the Ministry confirmed that the Prevention of Cruelty to Animals Act provides the SPCA the authority to conduct proactive inspections under s.15.1. The BC Chicken, Turkey, Egg Boards, the Hog Commission, the Dairy Association and the BC Cattlemen all received similar notification.

The SPCA indicated that they would undertake to do 2 unannounced "pilot project" audits per commodity Board prior to the end of November. The team that will be present on farm for the inspections may include:

1. *An SPCA Special Constable*
2. *An SPCA inspector*
3. *A veterinarian contracted by the SPCA and*
4. *A staff member from the BC Ministry of Agriculture.*

The SPCA inspector will be looking at compliance with the Protection of Cruelty to Animals Act, the National Farm Animal Care Codes of Practice and "generally accepted farming practices." They have referred to their responsibilities under Section 9.2 of the Act which refers to their "positive duty to ensure animals are not in distress".

It is the view of the BCCMB, the other commodity Boards and the BCAC that it is in the best interest of growers and the industry in general to cooperate with a request from the SPCA should they appear at your farm. Growers were asked to consider the following suggestions:

- *Ask for identification that they are with the SPCA. As noted earlier there will likely be 2-3 SPCA staff including a veterinarian and a Ministry staff observer.*
- *If you have received a notice of an ILT or other disease outbreak within your immediate 5 KM zone within the past week, please advise the SPCA of the potential danger of contamination that their presence on your farm could cause.*
- *Advise them that your flock is not accustomed to seeing more than one or two people at a time and that a large group could cause the birds to spook or panic.*
- *Explain your biosecurity and COVID-19 protocols and confirm that they will be complied with by all attendees.*
- *Ask them to wait until you contact the Board Office. Every attempt will be made to have a staff member present to attend as an observer. If this occurs after hours contact the ED directly via cell phone.*
 - *If BCCMB staff is available, request that the staff member be permitted to participate in the inspection.*
 - *Ask if the SPCA personnel can wait until the BCCMB staff arrives (provide an estimated time of arrival)*
 - *If you are a grower in the Interior or Lower Mainland Regions, please call the Board office and you will be provided with the name of an industry person who has volunteered to act as an observer on your behalf during the inspection process.*
- *Ask for a copy of the BCSPCA inspection report. If they are unable to provide one at the time, ask when you can expect a copy. We have been assured that these reports will remain confidential between the SPCA and the grower, and will not be made public under any circumstances.*
- *Ask what concerns have been identified during the inspection and ask to discuss them before they leave.*
- *When they have completed their barn inspection, they may wish to see you farm records related to the CFC Animal Care Program.*

SPCA inspections for chicken were completed prior to the end of October. In each case SPCA has required the grower to perform euthanasia on a distressed animal

and show proof of euthanasia certification. All chicken growers will have completed this certification by the end of December 2021.

CHANGES TO BOARD AND STAFF:

2021 was a time of great change in the Board and Board office. In the front office, the change was the biggest. On April 28th Bill Vanderspek advised the Board and staff of his intention to retire from his position as Executive Director effective August 31, 2021 ending his reign at ED of over 17 years. Even during COVID, many industry partners dropped by the office to provide goodbye wishes and wish him a fond farewell.

The Board appointed Ms. Christine Rickson to fulfill a dual role in the interim until a search for a new Executive Director could be found. I continued in my role as Executive Assistant and took on the additional responsibility as Acting Executive Director for the interim. I would say Bill would be greatly missed, and almost irreplaceable but then a pleasant surprise occurred.

Appointed members Ms. Gay Hahn and Mr. Alistair Johnston completed their terms on the Board effective September 30, 2021. We wish them well on their future endeavors. On October 12, 2021 by Order-in-Council #566 Ms. Carol Paulson and Mr. Bill Vanderspek were appointed each for a 2 year term.



From left to right: Chair Harvey Sasaki, Alistair Johnston, Derek Janzen, Bill Vanderspek, Ray Nickel (missing from photo Gay Hahn).

So maybe the shortest retirement ever? We welcome Bill back into the flock, noting that this may complete his original appointment to the Board which he resigned from to become the Executive Director back on March 10, 2004. His assistance in the transition to a new ED will be greatly appreciated.

We welcome Carol to the industry. Her background is business process improvement/Project management, marketing; public relations and communications. Currently she is a Director on the Langley Sustainable Agriculture Foundation. She previously worked for Canada Bread and Dairyland.

The Board's organizational matrix can be found within this report, both for staff and for the Board.

During the year the Board hired a new auditor Ms. Dani Lane. She comes to us with a background in feed nutrition from Ritchie Smith Feeds.



From left to right: Kelci Leuzinger, Kira Neu, Dani Lane, Christine Rickson, Bill Vanderspek, Shawn Mallon, Karlie Erickson, Guzel Gafurova, Cheryl Davie, Debora Ferreira.

On December 13, 2021 the Board announced the search for a new Executive Director had been completed. Mr. Andrew “Woody” Siemens has been hired to fill the position effective January 4, 2022. He comes to us from the BC Milk Marketing Board where he was Director, Supply Chain and Business Development. He led the Western Milk Pool which focused on the logistics and movement of milk between provinces. Woody (as he likes to be called) was raised in the Fraser Valley and was exposed to agriculture growing up on his family's farm and through friends who's families ran commercial farm

operations. Woody graduated from the University of British Columbia in 2009 with a Bachelor of Science in Food Market Analysis. Following graduation, he worked as a feed sales representative with Clearbrook Grain and Milling, and later with PepsiCo in their supply chain. Woody earned a Masters of Business Administration from the Lang School of Business at the University of Guelph finishing in May 2021.

On a personal note, I cannot thank the staff members Kira Neu, Cheryl Davie, Shawn Mallon, Karlie Erickson, Guzel Gafurova, Debora Ferreira, Kelci Leuzinger and Dani Lane enough for their assistance as I attempt to keep the flock flying true north. Thank you all for your hard work and dedication to the BC Chicken industry.

CHRISTINE RICKSON

Christine Rickson

As of December 31, 2021, Acting Executive Director (Day 122), Executive Assistant (Day 12,775)

REPORT OF THE PAST EXECUTIVE DIRECTOR

“I don’t know why you say goodbye, I say hello” Lennon/McCartney, 1967.

August 31, 2021, marked my last day as Executive Director of the BCCMB, a position that I was honoured to hold since March of 2004.

I would like to acknowledge the support and contributions of the five BCCMB chairs, sixteen directors, and many past and current staff members that I had the privilege of working with during the past seventeen years.

I retired as the senior member of the BCCMB staff secure in the knowledge that the BCCMB’s work will continue with a full compliment of dedicated staff members soon to be led by a newly appointed Executive Director. I would be remiss if I did not express my special gratitude and appreciation to Executive Assistant Christine Rickson, who provided me with invaluable assistance and guidance during my years as Executive Director.

It appears that the final chapter in my forty-seven year career in the BC Poultry Industry has not yet been written, as I was appointed by Order in Council of Cabinet of the Government of British Columbia to a two-year term as a Director of the BCCMB on October 12, 2021.

I look forward to continuing to serve our great industry in my new role with the BCCMB for the next two years.

Best wishes to all as we celebrate the 60th anniversary of the BC Chicken Marketing Board.



Bill Vanderspek
BCCMB Director

REPORT OF THE MANAGER OF ADMINISTRATION

In 2021 the BCCMB Field Service Representatives conducted 323 audits on 311 registered broiler premises in BC. Due to covid, heat dome and flooding seven audits were not completed in 2021. These audits were scheduled and completed in early 2022.

The three most common corrective actions for CFC's On-Farm Food Safety Program were:

1. 20 corrective actions for annual water test
2. 9 corrective actions for incomplete Standard Operating Procedures (SOP's)
3. 7 corrective actions for medication withdrawal and control measures recorded

The three most common corrective actions for CFC's Animal Care Program were:

1. 20 corrective actions for annual water test
2. 9 corrective actions for ammonia testing not being completed and/or recorded
3. 9 corrective actions for not reviewing Standard Operating Procedures (SOP's) on an annual basis

There were 51 corrective actions issued under CFC's On-Farm Food Safety program and 60 corrective actions issued under CFC's Animal Care program for a total of 111 corrective actions issued in 2021. Field Service Representatives issued four warning letters, three letters due to booking annual audit and one letter for outstanding corrective actions. No warning letters resulted in a 250 kg reduction in allotment.

The BCCMB received a total of six complaints pertaining to registered broiler premises. All six complaints were followed up by one of BCCMB's Field Service Representatives. Two complaints were concluded to be regular farming practices. Two complaints required trigger audits with corrective actions issued and two complaints came from BCCMB's Load Out Reports. Both complaints identified through BCCMB's Load Out Reports were visited and followed up by one or more Field Service Representative. All corrective actions issued were completed on or before the completion date.

CFC Internal and Third-Party Audits

For a second year CFC's third-party audits of BCCMB's Field Service Representatives were suspended due to COVID. CFC did conduct its internal audit on BCCMB's Manager of Administration via Microsoft Teams on July 26. CFC issued two corrective actions, (1) Does each document have a version identifier and (2) Does the outsourcing body maintain a Provincial Document List detailing all documents used to manage the programs. Both corrective actions were completed by August 31. BCCMB's Manager of Administration also completed CFC's third-party audit conducted by NSF Canada on August 11. One corrective action was issued for insufficient documentation of Field Service Reps initial discussion with Grower when scheduling annual audit. This corrective action was completed on December 21.

CFC On-Farm Food Safety Program (OFFSP) Review

This represents CFC's first major update to the OFFSP manual since 2014. In this new version, changes have been designed to harmonize with current regulations, to clarify existing requirements, to provide greater flexibility

for washing, disinfection, and downtime, and to reduce duplication. Key changes are highlighted below:

1. Harmonization with current regulations

- When mixing medicated feed on-farm, a feed mixing record must be maintained including the types of feed manufactured, the sequential order of feed manufactured, the medications used, and any flushing or physical cleaning performed.
- If mixing medicated feed on-farm with a withdrawal period, a mixer efficiency test is required a minimum of every 3 years and scale calibration tests are required at a minimum of every year.
- Medication use and veterinary oversight have been aligned with Health Canada's 2018 policy changes
- Feed and water additives are to be approved for use or have directions for livestock production

2. Clarification of existing requirements

- Clarification surrounding new barn requirements
 - ◆ New barns will require a concrete floor, or similar non-porous surface, on the first floor
 - ◆ New barns with a previously untested water source will be required to have a water test prior to the first placement
- Containers/bulk tanks being used to administer chemical products via water are to be labelled with the name and concentration of the product
- Expired products are to be stored separately from non-expired products prior to disposal
- Chicks are to be purchased from CFIA licensed hatcheries
- A clarification has been added that all farm workers must sign the SOPs

3. Increased Flexibility for Washing, Disinfection and Downtime

- Three options have been provided for washing, use of detergent/disinfectant, and for downtime
 - ◆ Option 1 is similar to the current manual with

increased flexibility in that a detergent or a disinfectant can be used.

- ◆ Option 2 includes washing the barn and equipment annually as in option 1, but use of a detergent or a disinfectant is only needed on the feeders, drinkers, and equipment. This is to be followed by a 14-day downtime.
- ◆ Option 3 involves a dry-clean of the barn and a 14-day downtime after every flock. No washing or detergent/disinfection is required with this option, although manure must be removed from the barn within 72 hours of the birds being shipped. If there are scheduling issues, a downtime of less than 14-days can occur a maximum of two times in the previous 12 months.

4. Reduced Duplication

- The "Highly Recommended" requirements of the OFFSP will no longer be included in the audit process
- Duplicate requirements from the Animal Care Program have been removed from the OFFSP, or reference has been made to refer to the Animal Care Program

These revisions are only applicable to the OFFSP as the requirements of the CFC Raised by a Canadian Farmer Animal Care Program have not changed. The new manual will be posted on BCCMB's website at www.bcchicken.ca, with an implementation date of January 1, 2022.

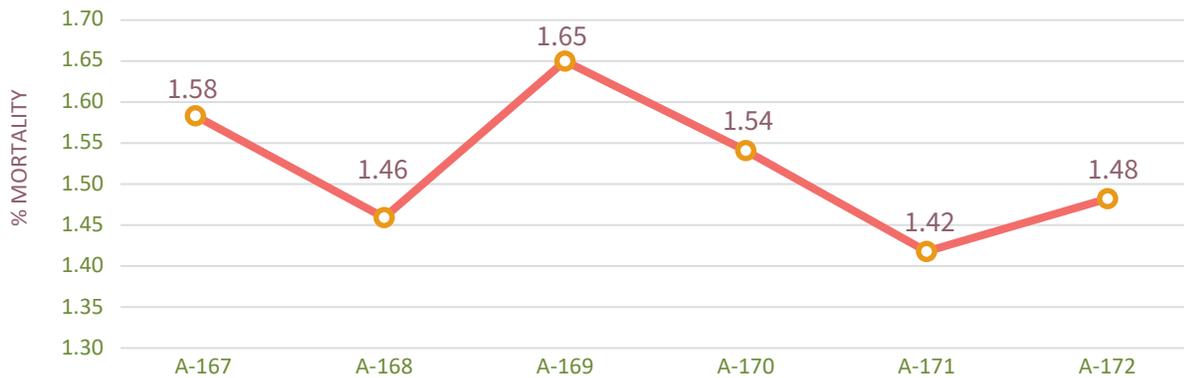
Salmonella Enteritidis (SE) Prevalence Study

In 2020 CFC launched its own National SE prevalence study. BCCMB's Field Service Representatives were responsible to collect 34 SE samples from broiler premises across BC. In 2021 CFC made the decision to discontinue its National SE prevalence study due to the challenges of collecting sample on-farm. BCCMB's field service representatives started collecting samples from farms that were comfortable with on-farm visits but found it challenging as well navigating between wildfires, heat domes, atmospheric rivers and flooding. In total seven farms were sampled, two farms test positive for salmonella, both farms were notified by field service representatives to conduct a full clean and disinfect.

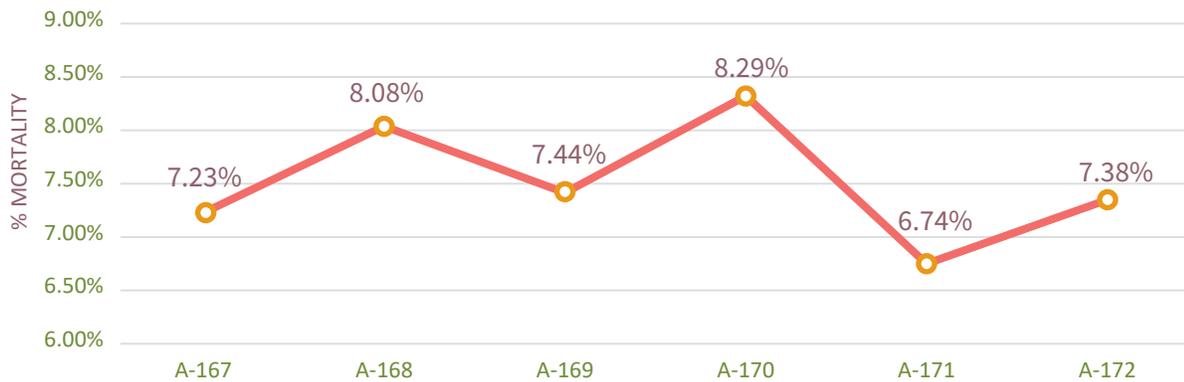
Total Flock Mortality and First Week Mortality Averages for 2021

This includes all bird types (Specialty, Organic, Mainstream and Raised Without Antibiotics). These graphs represent mortality levels over an entire year. Please note that we have used the difference between the number of birds placed and the payable birds shipped for the “Total Flock Mortality Average” graph. Condemns that are not deducted from the growers and DOA’s will be included. The numbers from the “First Week Mortality Average” graph come from the BC111 Form that each grower sends in after placement.

First Week Mortality Average 2021



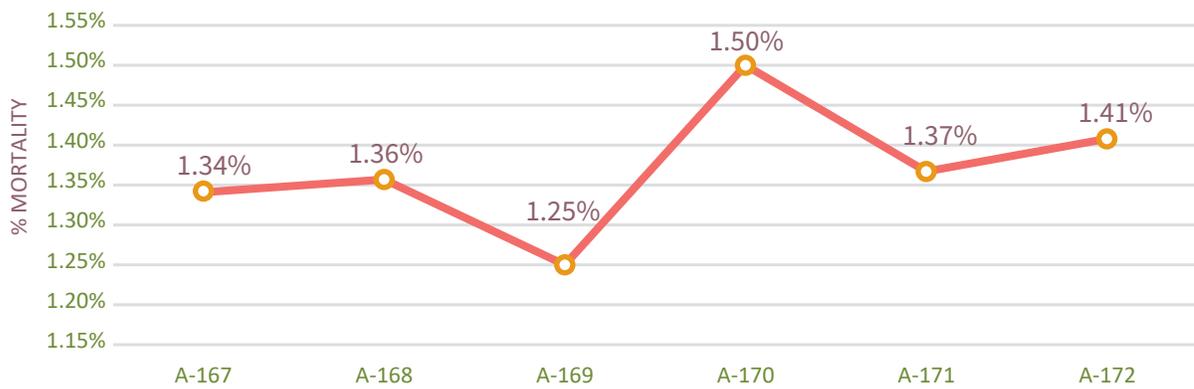
Total Flock Mortality Average 2021



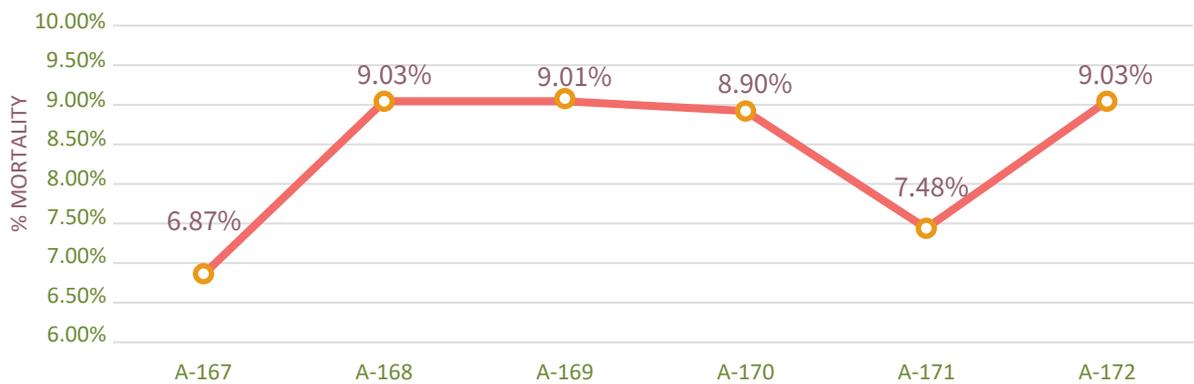
RWA Total Flock Mortality & RWA First Week Mortality for 2021

This includes only birds raised without antibiotics. These graphs represent mortality levels over an entire year. Please note that we have used the difference between the number of birds placed and the payable birds shipped for the “Total Flock Mortality Average (RWA)” graph. Condemns that are not deducted from the growers and DOA’s will be included. The numbers from the “First Week Mortality Average (RWA)” graph comes from the BC111 Form that each grower sends in after each placement.

Total First Week Mortality Average 2021 (RWA)



Total Flock Mortality Average 2021 (RWA)



Thank you

Shawn Mallon

Manager of Administration

STRATEGIC INITIATIVES AND ANALYSIS REPORT

FUTURE OF CHICKEN IN BC STUDY

In 2021, the “BC Chicken – Market Research Report” by local market research firm Intensions. Some of the most insightful findings were in the area of chicken consumption, shopping, attitudes and response to BC programs:

Chicken Consumption

- BC residents consumed an average of 16.58 weekly protein meals with chicken being the market leader at 3.83 or 25% of weekly protein meals. Weekly chicken meals were highest among those of Chinese ethnicity (4.65/21%), those aged 16-29 (4.52/+18%) and parents (4.37/+14%).

BC Chicken Shopping

- British Columbians with the highest monthly spend on chicken were parents (\$150/42%), those of South Asian ethnicity (\$131/+23%) and those aged 16-29 (\$122/+14%).
- Chicken claims that grocery shoppers are most likely to pay more for are raised without antibiotics (23%), certified organic (18%) and free range (15%). Furthermore, the majority of respondents would prefer their chicken to come from British Columbia .

Consumer Attitudes

- Out of seven chicken attitude factors, the chicken health attitude factors showed the most opportunity for future marketing initiatives.
- Respondents who who had the highest interest in health aspects of chicken meat, spent 18% more on

chicken meals and 18% more on chicken shopping, verifying that investments in health research and education are valuable to the industry.

Response to BC Marketing and Educational Programs

- The survey showed that the BC Chicken Squad™ brand, along with B.C. Chicken Growers’ Associations’ Poultry in Motion™ educational program are successful in not only reaching British Columbians, but also encouraged them to spend more on chicken.
- Approximately 10% of all BC residents recalled seeing a Poultry in Motion™ trailer and/or the BC Chicken Squad™. Residents who recalled one or more of these brands or programs consumed 15% more chicken meals and spent 33% more on chicken shopping.

STRATEGIC PLAN UPDATE

In 2021, the BC Chicken Marketing Board continued our dynamic strategic planning process with MNP. We performed an environmental scan to gather input on trends for areas such as industry demographics, financial performance, consumer trends and industry consolidation. We completed thirteen interviews with chicken growers and processors and seven interviews with government officials and other industry stakeholders. We identified 12 key trends and 29 strategic priorities for the board. Currently, the board is preparing a summary of the strategic plan which will be presented to stakeholders in 2022.



Social Media

The BC Chicken Squad™ Facebook, Instagram, Twitter and Pinterest social media channels continue to be an effective tool to not only share chicken recipes, but also provide information about our industry. In 2021, our combined impressions more than doubled to 1,273,747. Our top post on Facebook was a post to promote the live cook-along with Canuck Place chef Guru Bedi, which reached over 9,000 individuals, had 157 engaged users and 94 clicks.



Canuck Place

In 2021 the BC Chicken Marketing Board continued to supply Canuck Place Children's Hospice with chicken products. While the pandemic decreased the number of individuals who could be at the facility, we still supplied over 431 kgs of BC chicken that was used to provide comforting meals to families staying at the David Lede House in Abbotsford.

We were excited to partner with Canuck Place to do a live cook along on Youtube with their in house chef Guru Bedi. Viewers were invited to make a donation to Canuck Place and we were proud to raise over \$1,000. View the full video on our YouTube channel.



Buy BC

In 2021, we successfully executed a Buy BC chicken co-marketing campaign and a radio promotion in 2021 with funding support provided, in part, by the BC Government's Buy BC Partnership Program; delivered by the Investment Agriculture Foundation of BC with funding from the Government of British Columbia.

Co-Marketing Advertising Campaign

We collaborated with 16 BC partners to celebrate fresh local food, BC farmers and restaurants for September - national chicken month. During the month of September, we provided two online cooking classes, 4 contest giveaways, 4 new restaurant videos and 6 new recipe videos. The total Chicken month campaign reach (number of views) were 483,057. The total results were 11,157 clicks. The average cost was \$0.70/click. The Canuck Place video had the lowest cost per click of \$0.07.

We would like to thank the following 18 local BC partners who helped make the first "BC" Chicken month a huge success:

1. *BC Agriculture in the Classroom Foundation*
2. *BC Agriculture Council/We Heart Local BC*
3. *BC Greenhouse Growers Association*
4. *BC Cranberry Marketing Commission*
5. *BC Blueberry Council*
6. *BC Ministry of Agriculture and Food/Investment Agriculture Foundation*
7. *BCfresh*
8. *BC Strawberries*
9. *BC Raspberries*
10. *Canuck Place Children's Hospice*
11. *Dirty Laundry Vineyard*

- 12. DownLow Chicken Shack
- 13. Il Caminetto Whistler
- 14. Juke Fired Chicken
- 15. Organics BC
- 16. White Spot Restaurants/Triple O's
- 17. Wine BC – Wine Growers British Columbia
- 18. Wings

Buy BC Radio Promotion

With the help of BC chicken grower Dave Martens, (our voice actor), we produced a radio ad that was played on radio stations all over BC during September which is national chicken month. Dave spoke about celebrating chicken month and buying local and supporting local farmers like him. By hearing a local voice, it helped British Columbians identify with local farmers and local food and be encouraged to support them. The ad reached 547,308 adults 4.6 times for a total of 2.5 million impressions.

SPECIALTY ASIAN CHICKEN

Marketing Campaign

From January to April, 2021 we tried something new with our Asian specialty chicken campaign by working with seven local food influencers to create and blog about recipes using local BC specialty Taiwanese chicken. The campaign exceeded our expectations with a total of over 1,000 comments on Instagram.



BC Agriculture in the Classroom (BCAIC) - Take a Bite of BC

In November 2021, we delivered 10 fresh whole chickens to each of 59 BC secondary schools with culinary arts programs.

DIFFERENTIAL GROWTH ALLOCATION AGREEMENT

In November 20, 2014 Chicken Farmers of Canada announced the signing of a new allocation agreement that would allocate 55% of future growth based on provincial comparative advantage factors, such as population growth, income-based GDP, consumer price index, farm input price index and quota utilization. For BC, the amount of growth that is allocated based on comparative advantage factors is less than would have been allocated under the former pro-rata agreement. As of December 31, 2021 the total difference between pro-rata growth and actual growth (in kilograms) of allocation is 31,230,835 KG (evis).

Cheryl Davie

Cheryl Davie
 Manager of Strategic Initiatives



Period	Start Date	End Date	Pro Rata KG (evis)	Actual KG (evis)	Difference in Growth KG
A127	8-Nov-14	27-Dec-14	22,191,334	22,023,559	167,775
A128	28-Dec-14	21-Feb-15	22,414,634	22,238,884	175,750
A129	22-Feb-15	18-Apr-15	23,446,011	23,260,229	185,782
A130	19-Apr-15	13-Jun-15	23,848,395	23,640,237	208,158
A131	14-Jun-15	8-Aug-15	23,430,485	23,244,475	186,010
A132	9-Aug-15	3-Oct-15	22,821,648	22,635,828	185,820
A133	4-Oct-15	28-Nov-15	23,681,702	23,356,951	324,751
A134	29-Nov-15	23-Jan-16	23,085,959	23,006,831	79,128
A135	24-Jan-16	19-Mar-16	24,015,610	23,803,366	212,244
A136	20-Mar-16	14-May-16	24,639,378	24,399,703	239,675
A137	15-May-16	9-Jul-16	24,801,531	24,400,889	400,642
A138	10-Jul-16	3-Sep-16	24,510,177	23,874,018	636,159
A139	4-Sep-16	29-Oct-16	23,985,994	23,796,768	189,226
A140	30-Oct-16	24-Dec-16	24,103,214	23,899,948	203,266
A141	25-Dec-16	18-Feb-17	24,224,916	23,061,922	1,162,994
A142	19-Feb-17	15-Apr-17	25,246,736	24,947,572	299,164
A143	16-Apr-17	10-Jun-17	26,005,528	25,405,445	600,083
A144	11-Jun-17	5-Aug-17	25,875,461	25,612,455	263,006
A145	6-Aug-17	30-Sep-17	26,021,381	25,453,862	567,519
A146	1-Oct-17	25-Nov-17	26,000,118	25,051,239	948,879
A147	26-Nov-17	20-Jan-18	25,523,188	24,545,253	977,935
A148	21-Jan-18	17-Mar-18	25,837,575	25,262,112	575,463
A149	18-Mar-18	12-May-18	26,544,442	26,200,157	344,285
A150	13-May-18	7-Jul-18	26,876,308	26,102,991	773,317
A151	8-Jul-18	1-Sep-18	27,704,022	27,222,193	481,829
A152	2-Sep-18	27-Oct-18	26,826,777	26,144,148	682,629
A153	28-Oct-18	22-Dec-18	27,183,656	26,328,448	855,208
A154	23-Dec-18	16-Feb-19	25,824,578	24,240,038	1,584,540
A155	17-Feb-19	13-Apr-19	26,399,089	26,206,607	192,482
A156	14-Apr-19	8-Jun-19	27,702,248	26,731,659	970,589
A157	9-Jun-19	3-Aug-19	27,720,569	27,044,784	675,785
A158	4-Aug-19	28-Sep-19	26,803,270	26,718,271	84,999
A159	29-Sep-19	23-Nov-19	26,881,882	26,762,101	119,781
A160	24-Nov-19	18-Jan-20	25,432,591	25,336,375	96,216
A161	19-Jan-20	14-Mar-20	26,882,580	26,770,563	112,017
A162	15-Mar-20	09-May-20	27,198,771	27,095,872	102,899
*A163	10-May-20	04-Jul-20	24,308,827	25,658,925	0
*A164	05-Jul-20	29-Aug-20	24,593,667	25,547,438	0
A165	30-Aug-20	24-Oct-20	26,816,409	26,019,882	960,628
A166	25-Oct-20	19-Dec-20	26,588,250	26,509,519	1,009,966
A167	20-Dec-20	13-Feb-21	26,829,824	25,660,715	1,169,109
A168	14-Feb-21	10-Apr-21	26,091,889	25,725,163	366,726
A169	11-Apr-21	05-Jun-21	27,149,380	26,706,436	442,944
A170	06-Jun-21	31-Jul-21	28,668,803	27,859,984	808,819
A171	01-Aug-21	25-Sep-21	29,030,139	27,779,255	1,250,884
A172	26-Sep-21	20-Nov-21	29,121,510	27,691,525	1,429,985
A163	21-Nov-21	15-Jan-22	27,471,679	25,894,193	1,577,486

Data Source: Chicken Farmers of Canada

REPORT FROM CHICKEN FARMERS OF CANADA FOR 2021

PUBLIC AFFAIRS (GR & PR)

In 2021, CFC continued to promote and expand our partnership with Swimming Canada with a focus on the 2021 Olympic Games. This includes the promotion and distribution of three new Pool Peeps for Tokyo 2021, the creation of an Olympic advertising campaign with video content, personal, and virtual participation through the Olympic trials.

CFC works with Swimming Canada to connect farmers / athletes through excursions, virtual meetings and cooking events. This year this depended greatly on the availability of athletes due to the Olympic Games. CFC will also seek to engage Swimming Canada athletes during Lobby Day to help improve the awareness of physical health and the benefits of chicken among key MPs (i.e., those with a health, sports and youth portfolios).

Continued to manage and develop the CFC Young Farmers Program by continuing the 2020-2021 participant program, which includes CFC orientation, social media training, participation in events such as the CFC Lobby Day and Summer Meeting, the Olympic Swimming Trials in Canada and cooperation with the Canadian Young Farmers Forum and others. Worked with the Office of the Minister of Agriculture to find ways to cooperate with the Canadian Agricultural Youth Council.

Offer a number of virtual events for young farmers:

- *Virtual social activities, i.e., happy hour*
- *Annual conference with online broadcast, i.e., CYFF, Canadian Agriculture Day, Progress of Women in Agriculture*

- *Social media and training on how to “tell your story”*
- *Online collaborations and meetings and greetings with other colleagues such as the CFC Board, Swimming Canada athletes, other programs for young farmers*
- *Virtual lobby day*

Election 2021, which resulted in minor changes in Parliament, was when CFC deployed our Thank a Farmer Program. This campaign was based on a survey of Canadians, especially their voting intentions, and led to a targeted ad campaign (digital and print).

FOOD SAFETY & ANIMAL HEALTH

The Raised by a Canadian Farmer On-Farm Food Safety Program (OFFSP) is a huge part of the brand. In fact, it enhances the brand programs that farmers use to raise their birds to the highest standards of care, quality, and sustainability. More than ever, consumers want to know where their food comes from and how it is raised or grown.

According to recent marketing research:

- *87% of Canadian primary shoppers think it's important that the chicken they buy is raised in Canada.*
- *88% of Canadians would be more likely to buy chicken if it had a label showing that their chicken is Canadian raised.*
- *77% of Canadians would trust a Canadian raised*

chicken label if it came directly from a farmers group, rather than a manufacturer or retailer.

Canadian chicken farmers have always been proud to provide Canadians with the highest quality chicken. Our farmers adhere to a strict mandatory program (OFFSP), a national standard that has received federal, provincial, and territorial government recognition and full recognition by the Canadian Food Inspection Agency.

It's important to maintain that recognition by continuing to deploy the Management Manual and perform the necessary internal audits, management reviews, auditor training, and related tasks. There is also a 36-month review process that completed in 2021.

The updated version of the CFC OFFSP manual was completed in 2021, auditor guidelines were revised and training was completed, and new record forms were created. Everything was ready and distributed to be in the field for January 1, 2022.

This was the first major update to the OFFSP manual since 2014. Changes have been designed to harmonize with current regulations, to clarify existing requirements, to provide greater flexibility for washing, disinfection, and downtime, and to reduce duplication. All of the new manuals and associated SOPs and record forms are provided through your provincial board. Additionally, we are including links here to all the material New version of the OFFSP manual | Chicken Farmers of Canada.

The changes were laid out in the October edition of The Chicken Farmer.

The Pathogen Reduction Initiative, or strategy, saw the completion of the Salmonella Enteritidis monitoring project with a report to Directors. This fueled discussions about the steps required to monitor and mitigate Salmonella Enteritidis including cooperating with governments in the Joint Governmental and Industrial Working Group for the Control of Salmonella and Campylobacter in Poultry. Reporting back to CFC directors is an important focus as well.

Steps that are ongoing and being further developed include communication directly with farmers on best practices and ways to reduce food security risks. This material on best practices for pathogen control (e.g.,

pest control) through videos, podcasts or webinars is hosted on the farmer portal at chickenfarmers.ca.

The Farmer Resource Portal on chickenfarmers.ca is not new, but new items and content are added on an ongoing basis. Topics covered include pathogen reduction, antimicrobial use, brooding, feed and water management, and monitoring. The resources consist of testimonials, podcasts, case studies, reports, and articles.

INTERNATIONAL TRADE

The World Trade Organization cancelled its 12th Ministerial Conference at the end of November 2021. Omicron was beginning to affect air travel and many countries would be unable to send their delegates. This was the 2nd time the 12th Ministerial had been cancelled as it was originally to be held in Kazakhstan in June 2020. Typically, Ministerials are held every two years but there has not been one since 2017 due to the Covid-19 pandemic.

New members are seeking to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). However, it's important to remember that when the CPTPP was negotiated, it was done so with the eventual expansion of its membership in mind. Although it is now only in the fourth year of its implementation, the agreement has already attracted interest from a handful of potential new members, some of which are being more readily received than others.

In February 2021, the United Kingdom submitted its official request to join the CPTPP, which it sees as a means of diversifying its export market in the wake of its 'Brexit' departure from the European Union in 2020. The formal negotiations of its possible accession to the trade pact began at the end of September, and trade observers anticipate that an agreement on the terms the UK will face to join could be reached by the end of 2022.

On September 16 and 22, both China and Taiwan respectively submitted their official requests to join the partnership. Not only does this situation bring the contentious issue of Taiwan's status as a nation independent of China into the CPTPP forum, but it has also fuelled speculation over whether China's application will prompt the United States to reconsider the decision it made under the Trump Administration to leave the agreement. Although CPTPP members

have not yet officially responded to accession requests from China and Taiwan, most reports indicate a very low level of interest.

Thailand, the Philippines, South Korea, and Indonesia have also made statements regarding their interest in joining the CPTPP; however, none have formally tabled any official requests to accede. Of the agreement's original 11 members, three – Brunei, Malaysia and Chile – have still not finalized their ratification processes. Chile, which is of particular interest due to its chicken exporting capacity, is currently engaged in the re-writing of its constitution. This new constitution is expected to be submitted to a referendum in 2022.

Chicken Farmers of Canada does not oppose the accession of new countries to the CPTPP. However, it is imperative that Canada does not concede any additional access or reduce any over-quota tariffs during potential accession negotiations. New CPTPP members must be satisfied to share the existing access with all existing and any additional future members.

Registration has begun for Agriculture and Agri-Food Canada's Poultry and Egg On-Farm Investment Program (PEFIP), which was put in place to assist Canadian poultry and egg producers adjust to the market access losses incurred during the negotiation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Over ten years, the PEFIP will provide \$347.3 million to chicken producers to offset eligible investments made in their operation. Eligible producers are allocated a share of the program's funding based on their share of provincial quota or production on January 1, 2021, as identified by their respective provincial marketing board. Program applicants are able to determine their maximum funding amount by registering with the PEFIP's online system: the PEFIPOS.

Registration via the PEFIPOS is required to access the program. Applicants must first create a user profile. Once this participant profile is registered, then project applications can be completed and submitted.

Eligible on-farm investments must increase efficiency or productivity, improve on-farm food safety and

biosecurity, improve environmental sustainability, and/or respond to consumer preferences, such as improving animal welfare, adopting alternative housing systems, or transitioning to organic production.

Each applicant has the flexibility to determine how to use their individual funding amount over the ten years of the program so long as all project applications are submitted by March 31, 2030, and all project activities are completed by March 31, 2031. Applicants can even seek retroactive funding for eligible activities that began on or after March 19, 2019.

While AAFC's contribution will not normally exceed 70% of eligible project costs, there are certain circumstances where AAFC may provide up to 85% of eligible project costs to young producers who were 35 years old or younger on January 1, 2021.

Please consult the PEFIP¹ website for all additional information regarding the program and visit the PEFIPOS² portal to register.

SUSTAINABILITY

Momentum is building to establish Canada's first agri-food sustainability index. A private-public coalition of thirty-four diverse partners has released the Business Case for Establishing the National Index on Agri-Food Performance³ to affirm Canada's agri-food leadership in a more demanding food world.

There is a global race to reduce environmental impacts, meet net-zero-emission targets, and improve health and societal outcomes. Proof of sustainability is increasingly required to compete at home and abroad in an industry that is expected to show progress on these pressing matters.

As other countries position themselves to respond to these same global priorities, Canada can seize the initiative and demonstrate its rightful place as one of the most sustainable and responsible food systems in the world. The proposed national index will provide the

¹ <https://agriculture.canada.ca/en/agricultural-programs-and-services/poultry-and-egg-farm-investment-program>

² <https://pefip-pifvo.agr.gc.ca/PEFIP/public/welcome.jsf?lang=en>

³ <https://www.chickenfarmers.ca/resources/the-business-case-for-establishing-the-national-index-on-agri-food-performance/3>

rigour needed to demonstrate the Canadian agri-food sector's role in combating climate change, enhancing food security and confirming meaningful environmental and socio-economic improvements across the Canadian food system.

The index would be housed in a newly proposed Centre for Agri-Food Benchmarking, a neutral and authoritative body with shared private-public leadership and governance. The centre would enable stakeholders to collaborate and prepare an integrated picture of sustainability from farm to retail. Its work would be based on science-driven and verified indicators and be informed by sectoral benchmarking work and national statistics.

The coalition now seeks further feedback from stakeholders and to broaden its representation as well as identify the optimum path to financially support the project by the end of 2021. The intent is to publish the index by late 2022.

Partners: Agriculture & Agri-Food Canada, Alltech, Arrell Food Institute (University of Guelph), Bayer Crop Science, Birds Canada, BMO, Canadian Aquaculture Industry Alliance, Canadian Federation of Agriculture, Canadian Horticultural Council, Canadian Produce Marketing Association, Canadian Wildlife Federation, Chicken Farmers of Canada, Le Conseil de la transformation alimentaire du Québec, CropLife Canada, Ducks Unlimited Canada, Enterprise Machine Intelligence & Learning Initiative, Farm Credit Canada, Fertilizer Canada, Fisheries Council of Canada, Food, Health & Consumer Products of Canada, Global Institute for Food Security, Lakeland College (Alberta), Loblaw Companies Ltd., Manitoba Agriculture and Resource Development, Manitoba Protein Consortium, Ontario Cattle Feeders Association/Ontario Corn Fed Beef, Nutrien, Olds College (Alberta), Protein Industries Canada, Pulse Canada, Statistics Canada, Syngenta, TrustBix Inc., World Business Council on Sustainable Development.

NATIONAL CHICKEN MONTH

This year, CFC celebrated National Chicken Month with chicken stories from Canadians of all cultural backgrounds. They shared their favourite chicken dish, told us why it holds a special place in their heart, and how chicken is an important part of their heritage. With videos submitted by chicken enthusiasts from across Canada, it was a smashing success!

Canadian chefs stepped up for CFC's Chicken Challenge during National Chicken Month in September. The challenge: Create a dish that reflects your cultural heritage using Canadian chicken. We partnered with the Canadian Culinary Federation to promote it and over 40 chefs accepted the challenge and created some beautiful, mouth-watering dishes that encompassed many different nationalities and countries of origin. For this challenge, prize money was matched with a donation to the top-three winner's foodbank of choice.

1 st Place	
\$5,000 Price & \$5,000 to Charity	
Winner	Chef Froilan Ofiaza
Charity	Harvest Manitoba

2 nd Place	
\$2,000 Price & \$2,000 to Charity	
Winner	Chef Coralie Van De Bruinhorst
Charity	Interfaith Food Bank Society of Lethbridge

3 rd Place	
\$1,000 Price & \$1,000 to Charity	
Winner	Chef Erika Araujo
Charity	Daily Bread Food Bank

Throughout the month we posted on our social media channels @chickendotca on Instagram, @Canadianchicken on Facebook and asked participants to post with the hashtags #chickendotca #chickenchallenge #nationalchickenmonth.

STATISTICS

Levy Rates (cents/kg)			
Province	Provincial Levy	CFC Levy	Total Levy
BC	1.45	0.57	2.02
Alberta	1.28	0.57	1.85
Saskatchewan	1.16	0.57	1.73
Manitoba	1.65	0.57	2.22
Ontario	1.60	0.57	2.17
Quebec	1.68	0.57	2.25
NB	0.63	0.57	1.20
NS	0.97	0.57	1.54
PEI	1.20	0.57	1.77
NFLD	1.06	0.57	1.63

Source: CFC effective May 10, 2020

2021 BC Broiler Quota Marketing Periods Amount of quota marketings going through licence agencies in 2021:			
Period	Start Date	End Date	cv
A-168	14-Feb-21	10-Apr-21	94.59%
A-169	11-Apr-21	5-Jun-21	100.71%
A-170	6-Jun-21	31-Jul-21	102.71%
A-171	1-Aug-21	25-Sep-21	101.91%
A-172	26-Sep-21	20-Nov-21	101.74%
A-173	21-Nov-21	15-Jan-22	95.83%

Pricing for Specialty Chicken - 2021 (kilograms live weight)	
Silkie Chicken	
A-168	\$4.26
A-169	\$4.46
A-170	\$4.46
A-171	\$4.64
A-172	\$4.64
A-173	\$4.75

Organic Posted Live Price - 2021	
Period	Organic
A-168	\$3.8300
A-169	\$3.9400
A-170	\$4.1100
A-171	\$4.0200
A-172	\$4.1100
A-173	\$4.2200

Pricing for Specialty Chicken - 2021 (kilograms live weight)				
TC Chicken				
	Loong Kong	Bradner SD	Bradner Long Cycle	Shondon or Hong Kong golden
A-168	\$2.78	\$2.77	\$2.89	\$2.80
A-169	\$2.93	\$2.90	\$3.04	\$2.96
A-170	\$2.93	\$2.90	\$3.04	\$2.96
A-171	\$3.04	\$3.01	\$3.16	\$3.07
A-172	\$3.04	\$3.01	\$3.16	\$3.07
A-173	\$3.15	\$3.04	\$3.23	\$3.14

Mainstream Posted Live Price - 2021							Difference
Province	A-168	A-169	A-170	A-171	A-172	A-173	(Jan - Dec)
BC	\$1.8120	\$1.9500	\$1.9510	\$1.9960	\$1.9660	\$1.9410	\$1.9360

2021 BC Allocations received from CFC (Kg eviscerated weight)				
Period	Domestic (Broiler and Organic)	Market Development (Broiler, Organic and Specialty)	Specialty Allocation (TC and Silkie)	TOTAL ALLOCATION
A-168*	25,725,163	1,706,311	844,233	28,275,707
A-169	26,706,436	1,136,058	843,943	28,686,437
A-170	27,859,984	1,608,435	941,130	30,409,549
A-171**	27,779,255	1,200,373	974,869	29,954,497
A-172	27,691,525	1,340,236	945,074	29,976,835
A-173	25,894,193	1,141,365	1,034,034	28,069,592

* Revised Jan 11th, 2021
 ** Revised Jun 16th, 2021

Total Provincial Production (kilograms live weight)				
Year	Type	Domestic	Market Development	Total
2021	Mainstream	237,829,458	9,885,725	247,715,183
	Broilers	229,624,753	9,885,725	239,510,478
	Organic	8,204,705	0	8,204,705
	Specialty	8,263,814	235,731	8,499,545
	TC	7,261,254	0	7,261,254
	Silkie	1,002,560	235,731	1,238,291
	Total	246,093,272	10,121,456	256,214,728
2020	Mainstream	237,864,028	9,252,040	247,116,068
	Broilers	229,303,802	9,252,040	238,555,842
	Organic	8,560,226	0	8,560,226
	Specialty	7,115,095	361,700	7,476,795
	TC	6,609,304	0	6,609,304
	Silkie	505,791	361,700	867,491
	Total	244,979,123	9,613,740	254,592,863

In 2021 BC Produced 0.64 % more than in 2020

Provincial Quota Holdings 2021 (kgs live weight/cycle)										
	Lower Mainland		Vancouver Island		Interior		Total			
	Growers	Kilograms	Growers	Kilograms	Growers	Kilograms	Growers	%	Kilograms	%
Mainstream	213	32,139,990	12	701,123	53	4,747,688	278	89%	37,588,801	98%
Specialty	34	939,202	0	0	0	0	34	11%	939,202	2%
Total	247	33,079,192	12	701,123	53	4,747,688	312	100%	38,528,003	100%
%	79%	86%	4%	2%	17%	12%				
2,000 bird (annual) Permit Holders	16		35		72		123			

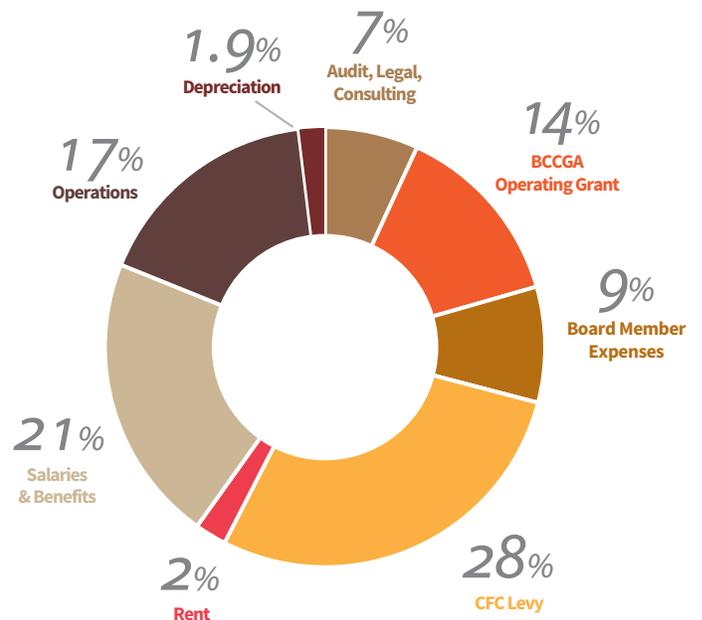
We have 312 Registered growers but note that 6 growers hold both Mainstream and Specialty Quota and are only included once. Numbers do not include the research permit holder.

2021 Provincial Farm Gate Sales	
Mainstream	\$463,692,285.41
Specialty (TC)	\$21,789,813.05
Organic	\$33,133,333.69
Specialty (Silkie)	\$5,615,649.69
Total	\$524,231,081.83



BCCMB FINANCIAL STATEMENTS

British Columbia Chicken Marketing Board Operating Budget 2022	
Revenue	
Levies	5,219,604
Licenses	1,000
Permits	2,500
Domestic lease fees	0
Interest	45,500
Other	50,735
Total Revenue	5,319,339
Expenses	
Audit, Legal, Consulting	355,000
BCCGA operating grant	708,382
Board member expenses	439,800
CFC Levy	1,472,858
Rent	120,000
Salaries and benefits	1,098,159
Operations	876,725
Depreciation	100,000
Total Expenses	5,170,924
Surplus	148,415



Sales Growth of "GROWN IN BC"

Chicken in Millions of Kilograms (Evisc Wt.)

BRITISH COLUMBIA CHICKEN MARKETING BOARD FINANCIAL STATEMENTS DECEMBER 31, 2021

For the year ended December 31, 2021

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Management's Responsibility

To the Members of British Columbia Chicken Marketing Board:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the British Columbia Chicken Marketing Board. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Committee is also responsible for recommending the appointment of the British Columbia Chicken Marketing Board's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.



Executive Director



Independent Auditor's Report

To the Members of British Columbia Chicken Marketing Board:

Opinion

We have audited the financial statements of the British Columbia Chicken Marketing Board (the "Organization"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, 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 for 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 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 judgment 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 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 the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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.

Abbotsford, British Columbia

February 15, 2022

MNP **LLP**

Chartered Professional Accountants

British Columbia Chicken Marketing Board Statement of Financial Position

As at December 31, 2021

	2021	2020
Assets		
Current		
Cash and cash equivalents	3,139,491	2,167,226
Accounts receivable	1,033,381	1,067,425
Prepaid expenses	84,607	92,885
	4,257,479	3,327,536
Capital assets (Note 3)	582,778	733,041
Long-term investments (Note 4)	2,304,806	2,264,571
	7,145,063	6,325,148
Liabilities		
Current		
Accounts payable and accruals (Note 9)	1,195,881	1,050,791
Government remittances payable	58,169	58,954
	1,254,050	1,109,745
Commitments (Note 5)		
Net Assets		
Invested in capital assets	582,778	733,041
Restricted for contingency fund (Note 4)	2,265,315	2,264,571
Unrestricted	3,042,920	2,217,791
	5,891,013	5,215,403
	7,145,063	6,325,148

Approved on behalf of the Board



Director



Director

The accompanying notes are an integral part of these financial statements

British Columbia Chicken Marketing Board Statement of Operations

For the year ended December 31, 2021

	2021	2020
Revenues		
Grower assessments <i>(Note 6)</i>	5,176,332	5,135,006
Overmarketing levies	810,342	632,003
Domestic lease income	32,322	99,371
Interest and sundry	60,907	56,830
CFC funding - SE Tests Funding	-	16,800
Grant funding	52,105	9,530
Permit fees	2,540	2,920
Licenses	1,200	2,040
	6,135,748	5,954,500
Operational expenses <i>(Schedule 1)</i>	4,516,345	4,698,827
Excess revenues over expenses	1,619,403	1,255,673

The accompanying notes are an integral part of these financial statements

British Columbia Chicken Marketing Board Statement of Changes in Net Assets

For the year ended December 31, 2021

	<i>Invested in capital assets</i>	<i>Restricted for contingency fund</i>	<i>Unrestricted</i>	2021	<i>2020</i>
Net assets, beginning of year	733,041	2,264,571	2,217,791	5,215,403	3,959,730
Excess (deficiency of) revenues over expenses	(156,692)	-	1,776,095	1,619,403	1,255,673
Distribution of prior years' surplus <i>(Note 9)</i>	-	-	(943,793)	(943,793)	-
Investment in capital assets (net)	6,429	-	(6,429)	-	-
Income reinvested in investments restricted for contingency fund	-	40,235	(40,235)	-	-
Payments made from the contingency fund	-	(39,491)	39,491	-	-
Net assets, end of year	582,778	2,265,315	3,042,920	5,891,013	5,215,403

The accompanying notes are an integral part of these financial statements

British Columbia Chicken Marketing Board Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating		
Excess revenues over expenses	1,619,403	1,255,673
Amortization	102,531	98,343
Loss on disposal of capital assets	-	24,613
	1,721,934	1,378,629
Changes in working capital accounts		
Accounts receivable	34,044	(336,671)
Prepaid expenses	8,278	10,090
Accounts payable and accruals	(798,703)	612,988
Government remittances payable	(785)	21,923
Deferred revenue	-	(35,978)
	964,768	1,650,981
Investing		
Purchase of capital assets	(6,429)	(599,352)
Reimbursement of leasehold improvements (Note 3)	54,161	-
Increase in long-term investments	(40,235)	(42,237)
	7,497	(641,589)
Increase in cash resources	972,265	1,009,392
Cash resources, beginning of year	2,167,226	1,157,834
Cash resources, end of year	3,139,491	2,167,226

The accompanying notes are an integral part of these financial statements

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

1. Organization

The British Columbia Chicken Marketing Board ("the Board") was established in 1961 by the Natural Products Marketing (British Columbia) Act to promote, control and regulate the transportation, processing, packing, storage, and marketing of all classes of chicken in British Columbia. The Board is a non-profit agricultural organization and is exempt from income taxes pursuant to subsection 149(1)(e) of the Income Tax Act.

Impact of COVID-19

In March 2020 there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Board as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and term deposits with banks. Term deposits subject to restrictions that prevent its use for current purposes are included in investments restricted for contingency fund.

Capital assets

Purchased capital assets are recorded at cost.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer hardware	30 %
Computer software	100 %
Furniture and office equipment	10 %
Website and internally developed software	20 %

No amortization is recorded for capital assets acquired but not put into service at year-end.

Leasehold improvements are amortized on a straight-line basis over the remaining life of the lease agreement at the time the leasehold improvement is purchased.

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Board performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in the statement of operations for the year.

Prices for similar items are used to measure fair value of long-lived assets.

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

2. Significant accounting policies (Continued from previous page)

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Board, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

Unrestricted Fund

The Unrestricted Fund reports the revenues and expenses related to general and ancillary operations of the Board.

Capital Assets Fund

The Capital Assets Fund reports the Board's capital assets and presents the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.

Restricted for Contingency Fund

The Restricted Contingency Fund is pursuant to Part 15 "Distribution of Board Operating Surplus" of the General Orders, to which the Board has established a fund represented by cash and cash equivalents in the minimum amount of \$2,000,000 and not to exceed one year of budgeted Board expenses, to be used to fund expenditures for unforeseen circumstances. Any amount deemed to be in excess to the set level of the contingency will be distributed to growers in proportion to the amount of the levy paid by a grower. The Board has reserved the right to change the amount required in the Restricted Contingency Fund and/or the levy rate at any time. In order to qualify for a distribution, a grower must be in good standing and be a current grower with the Board at the time that a distribution is declared. Investment income generated will be re-invested into the Restricted for Contingency Fund.

Revenue recognition

Grower assessments are recognized as revenue when chickens are shipped to the processors and collectability is reasonably assured. Overmarketing levies in respect to quota usage during a production period are calculated and invoiced to the grower approximately three weeks after the end of the production period. Overmarketing levies are recognized on the date of each individual grower's shipment, when collectability is reasonably assured.

Domestic lease charges, payable to the Board in respect to quota usage during a production period, are invoiced in accordance with part 43 of the August 26, 2011 General Orders.

Revenue from other sources are recorded when services are provided and collectability is reasonably assured.

Measurement uncertainty

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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the period in which they become known.

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Board recognizes its financial instruments when the Board becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Board may irrevocably elect to subsequently measure any financial instrument at fair value. The Board has not made such an election during the year.

The Board subsequently measures investments in equity instruments quoted in an active market and all derivatives at fair value. Fair value is determined by quoted price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the statement of operations for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Board assesses impairment of all of its financial assets measured at cost or amortized cost. The Board groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Board determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Board reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year statement of operations.

The Board reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the statement of operations in the year the reversal occurs.

3. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer hardware	85,405	50,185	35,220	46,297
Computer software	162,537	162,537	-	-
Furniture and office equipment	105,109	17,059	88,050	97,834
Leasehold improvements	398,638	85,017	313,621	406,551
Website and internally developed software	326,640	180,753	145,887	182,359
	1,078,329	495,551	582,778	733,041

During the current year, McCallum Junction Properties Inc. refunded \$54,161 to the Board for leasehold improvements purchased in the prior year pursuant to the lease agreement between the Board and McCallum Junction Properties Inc. This refund was recorded as a reduction to leasehold improvements.

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

4. Long-term investments

Long-term investments consist of six term deposits which bear interest at 1.71%, maturing in May 2026. In the prior year, long-term investments consisted of six term deposits which earned interest at 1.86%, which were renewed in May 2021.

	2021	2020
Restricted for contingency fund	2,265,315	2,264,571
Unrestricted	39,491	-
	2,304,806	2,264,571

5. Commitments

(a) The Board has entered into a contract to receive IT support with monthly fees of \$2,100 (2020 - \$2,100), which can be cancelled upon request with computer hardware buyout.

(b) The Board has signed agreements for social media management services with monthly costs of \$2,000 (2020 - \$1,000), which can be cancelled upon request.

(c) The Board has co-signed a contract with Alberta Chicken Producers and Chicken Farmers of Saskatchewan on August 20, 2021 for maintenance of a computer software program ("Grower Program"). The agreement is for a five-year term commencing January 1, 2022 and ending December 31, 2026 with total pre-tax payments as follows:

2022	133,920
2023	137,268
2024	140,700
2025	144,218
2026	147,823

(d) The Board has entered into a ten-year lease agreement for office space commencing January 14, 2020. Annual rents, including triple net expenses, are as follows: years 1 to 3 annual rent of \$117,347, years 4 to 6 annual rent of \$124,568, and years 7 to 10 annual rent of \$131,789.

(e) The Board has entered into three vehicle leases and one equipment lease with total scheduled payments as follows:

2022	20,376
2023	2,965

6. Grower assessments

The levy on all growers is 2.02 cents (2020 - 2.02) per kilogram, live weight on all chicken grown in British Columbia which is inclusive of the Chicken Farmers of Canada ("CFC") service fee. Of the levy assessed, 0.57 cents (2020 - 0.57) is remitted to the CFC for services provided.

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

7. Credit facility

The Board has the following credit facilities with the Bank of Montreal:

(a) \$640,000 Revolving Facility for general operating requirements by way of Letters of Credit/Guarantee or Operating Demand Loans. This facility bears interest at bank prime (2.45% at December 31, 2021). The borrowings under this facility are due on demand.

Under this facility, a Demand Guarantee of \$268,275 has been issued to the CFC as a means of securing the forwarding of levies and service fees to the CFC. The borrowings under this facility are due on demand and would be triggered in the event that the Board did not remit payment for their levies.

(b) \$300,000 Settlement Risk Facility for facilitating the utilization of hedge, wire or electronic funds transfer products.

The credit facilities are secured by a general security agreement covering all assets of the Board and a general assignment of book debts of the Board. The credit facilities are not used at year-end.

8. Related party transactions

The following related party transactions occurred during the year:

An operating grant totaling \$704,496 (2020 - \$781,000) and rent expense of \$nil (2020 - \$30,000) were paid to the British Columbia Chicken Growers Association ("BCCGA"), incorporated under the Society Act of British Columbia. As at December 31, 2021, the BCCGA is expected to return \$259,400 plus GST (2020 - \$258,064) of unused grant funding to the Board. The surplus plus GST (\$272,370) is included in accounts receivable at year-end.

The BCCGA's mandate is to unite commercial chicken growers for the betterment of the industry and act as a liaison between the chicken growers, marketing boards, industry and government. It is primarily funded by a grant from the Board which approves the Association's annual operating budget.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. Distribution of prior years' surplus

The Board distributes a surplus to growers based upon the total surplus calculated as select current assets less select current liabilities and deferred revenue at year-end less one month's budgeted operating expenses. The following outlines the funds that were distributed to growers in good standing and were based on the total kilograms of chicken shipped by the growers in the year the surplus occurred:

2022	\$ 943,793 (2019 surplus - accrued in 2021)
2021	\$ nil
2020	\$ nil
2019	\$ nil
2018	\$ 948,570 (2017 surplus)
2017	\$ nil

In November 2021, the Board motioned to distribute the 2019 surplus of \$943,793 to qualifying growers in 2022. This surplus has been included in accounts payable and accruals at year-end. The Board reserves its discretion to distribute any or all of the calculated surplus as per Part 15 Of the General Orders

British Columbia Chicken Marketing Board Notes to the Financial Statements

For the year ended December 31, 2021

10. Trust assets and liabilities

As at December 31, 2021 the Board held no funds in trust with respect to the New Entrants Program for Growers. In the prior year, trust assets totalling \$5,000 were included in cash and cash equivalents as well as accounts payable and accruals.

11. National overmarketing levy

During the fiscal year, because of the impact of COVID-19 and other factors, CFC waived the requirement for payment of national overmarketing levies. This decision will be reviewed by CFC on a periodic basis. Estimated penalties were \$86,000 for A-166/A-167 and \$466,000 for A-168/A-169.

12. Price adjustment

During the year, the Board approved a reimbursement of \$88,020 to processors who had overpaid growers in A-163, A-164, A-165, and A-170 due to an Ontario Broiler Hatching Egg and Chick Commission adjustment and an automation error.

13. Financial instruments

The Board, as part of its operations, carries a number of financial instruments. It is management's opinion that the Board is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

As at December 31, 2021, four processors (2020 - four) accounted for 62% (2020 - 43%) of trade accounts receivable. The Board believes that there is no unusual exposure associated with the collection of these receivables. The Board performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

British Columbia Chicken Marketing Board Schedule 1 - Schedule of Operational Expenses

For the year ended December 31, 2021

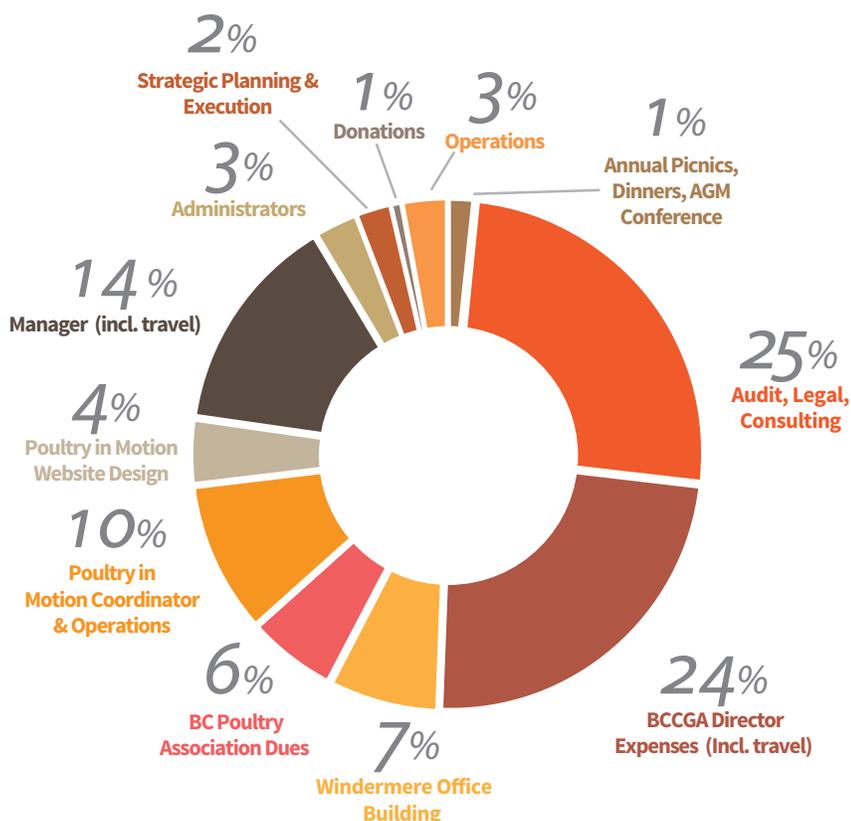
	2021	2020
Operational expenses		
Advertising and promotion	50,568	76,416
Amortization	102,531	98,343
Bad debts	1,010	-
Bank charges and interest	2,972	2,942
Board members' remuneration, travel and meals	372,426	361,180
British Columbia Chicken Growers Association (Note 8)	445,096	522,936
Chicken Farmers of Canada levy (Note 6)	1,460,648	1,435,704
Computer installation and consulting	168,829	114,679
Consulting fees	137,045	116,209
Dues, memberships and subscriptions	18,841	20,677
Insurance	5,968	5,937
Loss on disposal of capital assets	-	24,613
National overmarketing levy (Note 11)	-	238,492
Office supplies and expenses	34,850	48,309
PPAC	1,640	5,413
Plant closures	39,491	-
Postage	3,542	3,810
Poultry Euthanasia Workshops	-	2,583
Poultry biosecurity	360	-
Price adjustment (Note 12)	88,020	-
Professional fees	138,710	188,209
Rent (Note 8)	109,688	167,266
Repairs and maintenance	16,047	14,441
SMAC	2,019	2,240
Salaries and benefits	1,002,125	1,042,801
Staff travel	69,953	67,923
Strategic plan initiative	224,984	94,259
Supply Management BC funding	-	4,251
Telephone	18,982	39,194
	4,516,345	4,698,827



BCCGA FINANCIAL STATEMENTS

BC Chicken Growers' Association COVID REDUCED Budget 2022 - Condensed version Revised Dec. 20, 2021

REVENUE	
BCCMB Operating Grant	708,381.55
Rental Income Windermere Office	0.00
BCBHEPA Annual Picnic Cost Share	1,700.00
BCBHEPA Poultry in Motion Cost share	22,487.40
BCBHEPA PIM Website Cost Share	600.00
Total Revenue	733,168.95
EXPENSES	
Annual Picnics, Dinners, AGM	21,000
Audit, Legal, Consulting	181,500
BCCGA Director Expenses (incl. travel)	183,558
Windermere Office Building	30,000
BC Poultry Association Dues	33,975
Poultry in Motion	128,288
Manager (incl. travel)	101,700
Financial Administrators	12,000
Strategic Planning & Execution	16,000
Donations	5,000
Operations	20,148
TOTAL EXPENSES	773,168.95





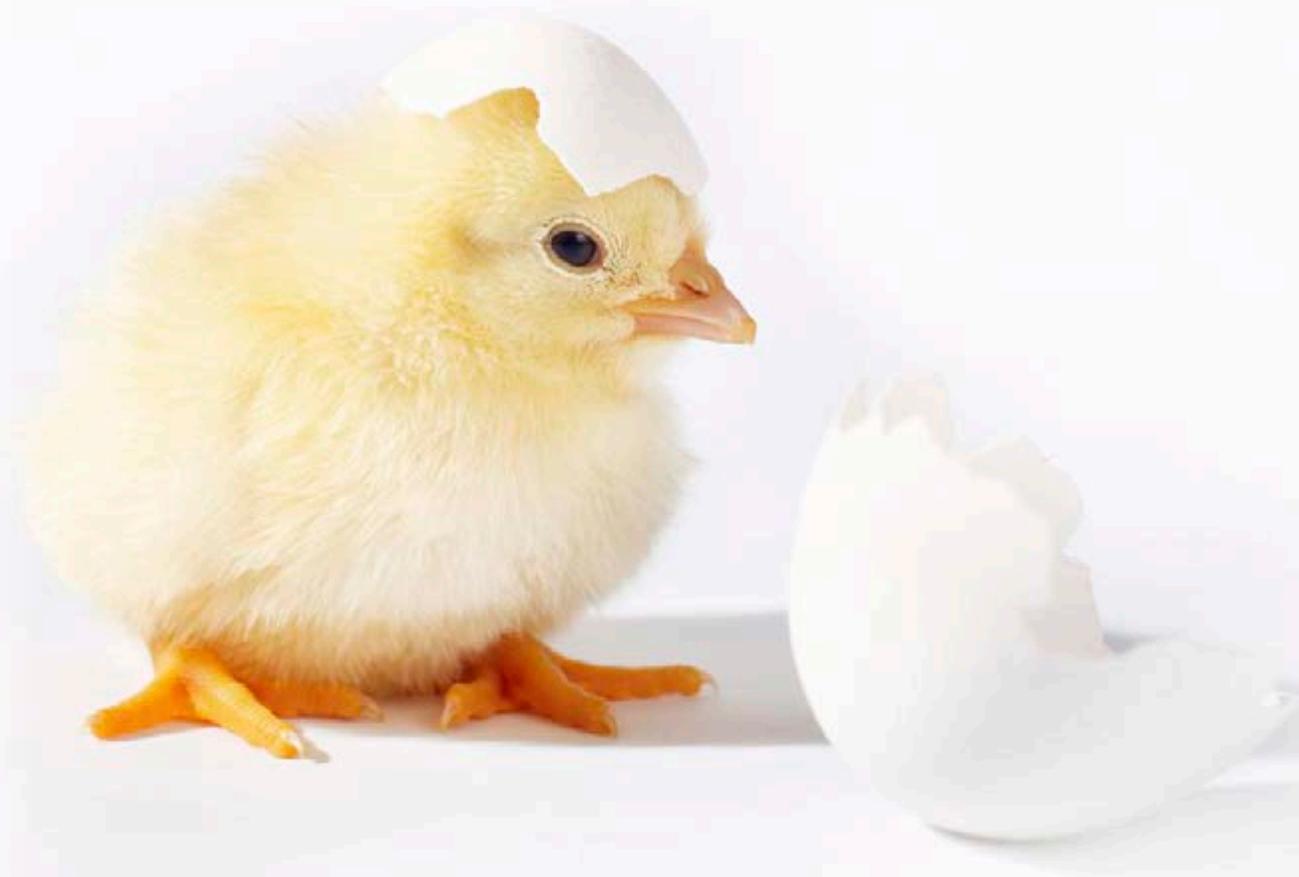
BC Chicken Growers' ASSOCIATION

BCCGA FUNDING & USE REPORT 2021: BUDGET VS ACTUAL

	Budget 2021	Actual 2021	Total Variance	Nurture existing relationships and develop new relationships with key industry stakeholders		
REVENUES:				BUDGET	ACTUAL	VARIANCE
BCCMB Operating Revenue	704,496	706,040	1,544	-	-	-
BCBHEPA Poultry in Motion Cost share	14,800	10,360	4,440	-	-	-
Grant Income	-	10,354	16,354	-	-	-
Chicken Golf Tournament	-	84,920	84,920	-	50,952	50,952
Miscellaneous Income	-	46	46	-	-	-
BCCMB OPERATING SURPLUS	-	259,400	259,400	-	-	-
EXPENSES:						
Chicken Golf Tournament	-	84,970	84,970	-	50,982	-50,982
Accounting and Legal	106,500	14,109	92,391	5,325	705	4620
Administrators' Honorariums	20,000	22,490	2,490	1,000	1,125	-125
Advertising	1,000	12,552	11,552	100	1,255	-1,155
Employer's Portion of Benefit	10,850	10,094	756	543	505	38
Workers' Compensation	500	295	205	25	15	10
Amortization	-	18,561	18,561	-	-	-
Annual Picnic and Dinners	7,500	175	7,325	3,750	88	3,663
BC Poultry Association	40,921	40,921	-	10,230	10,230	-
BC Poultry Conference	4,000	80	3,920	1,200	24	1,176
Conferences and Seminars	2,000	460	1,540	300	69	231
Consulting Fees	77,000	29,741	47,259	3,850	1,487	2,363
Association Manager	90,000	80,351	9,649	18,000	16,070	1,930
Directors Remuneration	130,000	126,482	3,518	19,500	18,972	528
Donations	5,000	2,800	2,200	500	280	220
Insurance	2,100	1,740	360	-	-	-
Memberships, Dues and Subscriptions	4,000	6,793	2,793	-	-	-
Office Expenses, Interest and Bank Charges	5,200	1,394	3,806	520	139	381
Poultry in Motion Educational Mini Barn Program	98,000	65,665	32,335	4,900	3,283	1,617
Property Taxes	8,500	8,254	246	-	-	-
Strata Fees	12,800	12,756	44	-	-	-
Repairs & Maintenance Windermere Office	28,000	-	28,000	-	-	-
Strategic Planning & Execution	16,000	-	16,000	1,600	-	1,600
Meetings, Travel Meals & Refreshments	43,850	8,066	35,784	8,770	1,613	7,157
Utilities & Telecommunications	5,575	3,709	1,866	836	556	280
TOTAL REVENUE	829,000	1,077,120	(357,824)	-	50,952	(50,952)
TOTAL EXPENSE	829,000	552,458	166,838	80,949	107,399	26,450
NET	-	524,662	(524,662)	(80,949)	(56,447)	(24,502)

	Educate Government on the chicken industry			Producers receive prices that provide a stable income which enables them to cover production costs and form a sustainable, subsidy free industry			Participate with industry stakeholders in developing disease strategies		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
BCCMB Operating Revenue	-	-	-	-	-	-	-	-	-
BCBHEPA Poultry in Motion Cost share	-	-	-	-	-	-	-	-	-
Grant Income	-	-	-	-	-	-	-	-	-
Chicken Golf Tournament	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-
BCCMB OPERATING SURPLUS	-	-	-	-	-	-	-	-	-
EXPENSES:									
Chicken Golf Tournament	-	-	-	-	-	-	-	-	-
Accounting and Legal	10,650	1,411	9,239	58,575	7,760	50,815	-	-	-
Administrators' Honorariums	1,000	1,125	-125	2,000	2,249	-249	1,000	1,125	-125
Advertising	100	1,255	-1,155	100	1,255	-1,155	100	1,255	-1,155
Employer's Portion of Benefit	1,085	1,009	76	5,968	5,552	416	-	-	-
Workers' Compensation	50	30	21	275	162	113	-	-	-
Amortization	-	-	-	-	-	-	-	-	-
Annual Picnic and Dinners	-	-	-	-	-	-	-	-	-
BC Poultry Association	4,092	4,092	-	4,092	4,092	-	6,138	6,138	-
BC Poultry Conference	400	8	392	400	8	392	200	4	196
Conferences and Seminars	100	23	77	100	23	77	200	46	154
Consulting Fees	7,700	2,974	4,726	42,350	16,358	25,992	-	-	-
Association Manager	7,200	6,428	772	24,300	21,695	2,605	4,500	4,018	482
Directors Remuneration	13,000	12,648	352	28,600	27,826	774	10,400	10,117	281
Donations	4,000	2,240	1,760	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships, Dues and Subscriptions	-	-	-	-	-	-	-	-	-
Office Expenses, Interest and Bank Charges	-	-	-	260	70	190	-	-	-
Poultry in Motion Educational Mini Barn Program	4,900	3,283	1,617	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-
Strata Fees	-	-	-	-	-	-	-	-	-
Repairs & Maintenance Windermere Office	-	-	-	-	-	-	-	-	-
Strategic Planning & Execution	1,600	-	1,600	2,400	-	2,400	1,600	-	1,600
Meetings, Travel Meals & Refreshments	2,193	403	1,789	6,578	1,210	5,368	6,578	1,210	5,368
Utilities & Telecommunications	279	185	93	1,115	742	373	279	185	93
TOTAL REVENUE	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	58,348	52,626	13,755	158,164	119,258	88,111	30,994	24,099	6,895
NET	(58,348)	(52,626)	(13,755)	(158,164)	(119,258)	(88,111)	(30,994)	(24,099)	(6,895)

	Collaborate with appropriate industry stakeholders to develop tools needed by producers to address variability in production levels			Build consumer trust through public education			Undertake appropriate professional development to enhance director effectiveness and ensure continued appropriate board composition		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES:									
BCCMB Operating Revenue	-	-	-	-	-	-	-	-	-
BCBHEPA Poultry in Motion Cost share	-	-	-	14,800	10,360	4,440	-	-	-
Grant Income	-	-	-	-	16,354	-16,354	-	-	-
Chicken Golf Tournament	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-
BCCMB OPERATING SURPLUS	-	-	-	-	-	-	-	-	-
EXPENSES:									
Chicken Golf Tournament	-	-	-	-	-	-	-	-	-
Accounting and Legal	10,650	1,411	9,239	5,325	705	4,620	10,650	1,411	9,239
Administrators' Honorariums	1,000	1,125	-125	3,000	3,374	-374	1,000	1,125	-125
Advertising	-	-	-	400	5,021	-4,621	-	-	-
Employer's Portion of Benefit	1,085	1,009	76	543	505	38	1,085	1,009	76
Workers' Compensation	50	30	21	25	15	10	50	30	21
Amortization	-	-	-	-	16,705	-16,705	-	-	-
Annual Picnic and Dinners	-	-	-	-	-	-	-	-	-
BC Poultry Association	8,184	8,184	-	2,046	2,046	-	2,046	2,046	-
BC Poultry Conference	-	-	-	400	8	392	400	8	392
Conferences and Seminars	100	23	77	-	-	-	1,000	230	770
Consulting Fees	7,700	2,974	4,726	3,850	1,487	2,363	7,700	2,974	4,726
Association Manager	13,500	12,053	1,447	4,500	4,018	482	4,500	4,018	482
Directors Remuneration	19,500	18,972	528	9,100	8,854	246	13,000	12,648	352
Donations	-	-	-	500	280	220	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships, Dues and Subscriptions	-	-	-	-	-	-	400	679	-279
Office Expenses, Interest and Bank Charges	-	-	-	260	70	190	-	-	-
Poultry in Motion Educational Mini Barn Program	-	-	-	88,200	59,099	29,102	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-
Strata Fees	-	-	-	-	-	-	-	-	-
Repairs & Maintenance Windermere Office	-	-	-	-	-	-	-	-	-
Strategic Planning & Execution	1,600	-	1,600	2,400	-	2,400	1,600	-	1,600
Meetings, Travel Meals & Refreshments	2,193	403	1,789	-	-	-	-	-	-
Utilities & Telecommunications	279	185	93	558	371	187	-	-	-
TOTAL REVENUE	-	-	-	14,800	26,714	(11,914)	-	-	-
TOTAL EXPENSE	65,840	46,369	19,471	121,106	102,556	18,550	43,431	26,178	17,254
NET	(65,840)	(46,369)	(19,471)	(106,306)	(75,842)	(30,464)	(43,431)	(26,178)	(17,254)



	Identify and implement opportunities to increase involvement of growers in the industry			Funding/Operations		
REVENUES:	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
BCCMB Operating Revenue	-	-	-	704,496	704,496	-1,544
BCBHEPA Poultry in Motion Cost share	-	-	-	-	-	-
Grant Income	-	-	-	-	-	-
Chicken Golf Tournament	-	33,968	-33,968	-	-	-
Miscellaneous Income	-	-	-	-	46	-46
BCCMB OPERATING SURPLUS	-	-	-	-	259,400	-259,400
EXPENSES:						
Chicken Golf Tournament	-	33,968	-33,968	-	-	-
Accounting and Legal	5,325	705	4,620	-	-	-
Administrators' Honorariums	2,000	2,249	-249	8,000	8,996	-996
Advertising	200	2,510	-2,310	-	-	-
Employer's Portion of Benefit	543	505	38	-	-	-
Workers' Compensation	25	15	10	-	-	-
Amortization	-	-	-	-	1,856	-1,856
Annual Picnic and Dinners	3,750	88	3,663	-	-	-
BC Poultry Association	4,092	4,092	-	-	-	-
BC Poultry Conference	1,000	20	980	-	-	-
Conferences and Seminars	200	46	154	-	-	-
Consulting Fees	3,850	1,487	2,363	-	-	-
Association Manager	9,000	8,035	965	4,500	4,018	482
Directors Remuneration	13,000	12,648	352	3,900	3,764	106
Donations	-	-	-	-	-	-
Insurance	-	-	-	2,100	1,740	360
Memberships, Dues and Subscriptions	3,600	6,114	-2,514	-	-	-
Office Expenses, Interest and Bank Charges	520	139	381	3,640	976	2,664
Poultry in Motion Educational Mini Barn Program	-	-	-	-	-	-
Property Taxes	-	-	-	8,500	8,254	246
Strata Fees	-	-	-	12,800	12,756	44
Repairs & Maintenance Windermere Office	-	-	-	28,000	-	28,000
Strategic Planning & Execution	1,600	-	1,600	1,600	-	1,600
Meetings, Travel Meals & Refreshments	8,770	1,613	7,157	13,155	2,420	10,735
Utilities & Telecommunications	1,394	927	467	836	556	280
TOTAL REVENUE	-	33,968	(33,968)	704,496	965,486	(260,990)
TOTAL EXPENSE	58,868	75,182	(16,313)	87,031	45,366	41,665
NET	(58,868)	(41,214)	(17,655)	617,465	920,120	(302,655)

BC CHICKEN GROWERS' ASSOCIATION FINANCIAL STATEMENTS DECEMBER 31, 2021

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T.J. HOLMGREN, CPA INC.

CHARTERED PROFESSIONAL ACCOUNTANT

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Independent Audit Report

To the Board of Directors
BC Chicken Growers' Association

Opinion

I have audited the financial statements of BC Chicken Growers' Association, which comprise the statement of financial position as at December 31, 2021, and the statements of operations, net assets and cash flows for the year then ended, 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 BC Chicken Growers' Association as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with the applicable financial reporting framework.

Basis for Opinion

I conducted my audit 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 the association in accordance with the ethical requirements that are relevant to my audit 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 the applicable financial reporting framework, 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 these financial statements, management is responsible for assessing the association'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 association or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the association'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 the association'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 association'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 our auditor's report. However, future events or conditions may cause the association 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 audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act, I report that, in my opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.



T.J. Holmgren, CPA, Inc.
Chartered Professional Accountant

Abbotsford
February 07, 2022

BC CHICKEN GROWERS' ASSOCIATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 380,407	\$ 192,228
Short term investments	-	200,166
Accounts receivable (Note 5)	13,387	18,532
Inventory (Note 3)	25,842	28,287
Prepaid expenses	13,491	7,934
	<u>433,127</u>	<u>447,147</u>
LONG TERM ASSETS		
Property, plant and equipment, net of accumulated amortization (Note 4)	280,377	292,217
	<u>\$ 713,504</u>	<u>\$ 739,364</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 303,914	\$ 324,368
Due to government agencies	1,754	2,927
Deferred contributions (Note 7)	23,171	22,569
	<u>328,839</u>	<u>349,864</u>
NET BALANCES		
Net assets - ending	<u>384,665</u>	<u>389,500</u>
	<u>\$ 713,504</u>	<u>\$ 739,364</u>

Approved on Behalf of the Directors:

The accompanying notes form an integral part of these financial statements.
T.J. Holmgren, CPA, Inc.

BC CHICKEN GROWERS' ASSOCIATION

STATEMENT OF OPERATIONS AND NET ASSETS YEAR ENDING DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
REVENUE		
British Columbia Chicken Marketing Board (Note 8)	\$ 706,040	\$ 783,530
Rental income	-	30,000
Grant revenue (Note 13)	16,354	15,873
Golf tournament (Note 11)	84,920	24,375
Interest income	46	166
	807,360	853,944
EXPENSES		
Golf tournament (Note 11)	84,970	27,822
Accounting and legal	14,109	17,228
Administrators' honorariums	22,490	60,036
Advertising	12,552	631
Employer's portion of benefits	10,094	9,883
Workers compensation	632	338
Amortization	18,561	18,412
Annual picnic and dinners	175	949
BC Poultry Association	40,921	51,003
BC Poultry Conference	80	68,946
Conferences and seminars	460	370
Consulting fees	29,741	71,969
Association Manager	80,351	53,507
Directors remuneration (Note 8)	126,482	136,365
Donations	2,800	8,151
Insurance	1,740	1,413
Interest and bank charges	20	-
Memberships, dues and subscriptions	6,793	3,893
Office expenses	1,374	5,028
Poultry in Motion Educational Mini Barn Program (Note 10) and (Note 8)	65,665	56,266
Property taxes	8,254	6,181
Strata fees	12,756	10,843
Travel, meals and entertainment	8,066	21,752
Utilities and telecommunications	3,709	3,050
	552,795	634,036
EXCESS OF REVENUES OVER EXPENSES	254,565	219,908
NET ASSETS, beginning of year	389,500	427,656
Return of surplus	(259,400)	(258,064)
NET ASSETS, end of year	\$ 384,665	\$ 389,500

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

T.J. Holmgren, CPA, Inc.

BC CHICKEN GROWERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDING DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$ 254,565	\$ 219,909
Amortization	18,561	18,412
	273,126	238,321
CHANGES IN NON-CASH WORKING CAPITAL		
- short term investments	200,166	(200,166)
- accounts receivable	5,143	(3,007)
- inventory	2,445	(13,365)
- prepaid expenses	(5,555)	45,148
- accounts payable	(13,651)	199,867
- due to government agencies	(1,173)	(3,134)
- deferred contributions	602	(2,302)
	461,103	261,362
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of capital assets	(6,721)	(28,623)
Distribution of surplus to B.C Chicken Marketing Board	(259,400)	(258,064)
	194,982	(25,325)
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of period	192,228	217,553
	\$ 387,210	\$ 192,228
CASH AND CASH EQUIVALENTS AT END OF PERIOD		

The accompanying notes form an integral part of these financial statements.
T.J. Holmgren, CPA, Inc.

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDING DECEMBER 31, 2021

BC Chicken Growers' Association was *incorporated under the Societies Act of British Columbia*. It is a not-for-profit organization which commenced operations in 1957 to unite the commercial chicken growers in working for the betterment of the chicken industry and to act as a liaison between chicken growers, marketing boards, industry and government. The association is exempt from tax under the Income Tax Act.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Accounting Standards for not-for-profit entities (ASNFP) and reflect the following policies:

A. REVENUE RECOGNITION

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

BC Chicken Marketing Board contributions are recognized when allocations are approved and collection is reasonably assured.

Rental income is recognized as revenue on the 1st day of the month rent is charged and when collection is reasonably assured.

Grant income is received from several sources and are restricted contributions. Grant income is recognized as revenue in the year in which related expenses are incurred.

B. INVENTORIES

Inventory includes various brochures, books, DVD's, and gifts to be distributed to the public at no charge. Inventory is measured at the lower of cost and replacement value. Cost is determined using first in first out method.

C. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at cost. Depreciation is calculated using the declining balance method over estimated useful lives. When a tangible capital asset no longer has any long-term service potential for the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Depreciation rates used for identified classes of assets are as follows:

-Buildings:	4%
-Poultry in Motion Educational Mini Barns:	20%
-Office furniture:	20%
-Educational video:	10%
-Computer equipment	10%

Land and building title are held in 584688 BC Ltd, a bare trustee corporation.

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDING DECEMBER 31, 2021

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

D. USE OF ESTIMATES

When preparing financial statements according to ASNFPO, the association makes estimates and assumptions relating to:

- Reported amounts of revenue and expenses;
- Reported amounts of assets and liabilities; and
- Disclosure of contingent assets and liabilities.

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and other experience that are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as accounts payable.

E. ALLOCATION OF EXPENSES

The association engages in Poultry in Motion public awareness program and representation of BC chicken growers. The association specifically identifies expenses allocated to each program. Directors remuneration are allocated between the programs by specific identification based on per diem payments. Directors remuneration for general operations are shown in the statement of operations, remuneration for Poultry in Motion are disclosed in the schedule of costs.

NOTE 2. FINANCIAL INSTRUMENTS

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealised gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The association uses risk management to monitor and manage its risk arising from financial instruments. These risks include credit risk, interest rate risk, liquidity risk and market risk.

The association does not use any derivative financial instruments to mitigate these risks.

Credit Risk

Credit risks arise from two sources: cash and cash equivalents and amounts due from related parties. Cash and cash equivalents are deposited with reputable, major financial institutions to limit the credit risk exposure. The credit risk from counter parties not paying amounts due is not considered to be significant.

Interest rate risk

The association is exposed to interest rate risk with respect to its cash and cash equivalents. Changes in interest rates can affect the cash flows related to interest income and expense.

Liquidity risk

Liquidity risk exposure is dependent on the receipt of funds from BC Chicken Marketing Board, municipal government grants and other source to enable the association to pay its liabilities as they become due.

Market risk

As the association does not invest in publicly traded securities it is not exposed to fluctuations in the market and as such is not exposed to any market risk at this time.

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDING DECEMBER 31, 2021

NOTE 3. INVENTORY

Inventory amounts recognized as an expense are included in Poultry in Motion operating costs.

	2021	2020
Inventory opening	\$ 28,286	\$ 14,922
Additions	-	13,364
Amounts expensed	(2,445)	-
Total	\$ 25,841	\$ 28,286

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

		2021	2020
	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 100,277	\$ -	\$ 100,277
Buildings	243,417	(139,125)	104,292
Poultry in Motion Educational Mini Barns	127,858	(66,146)	61,712
Poultry in Motion trailer under development	-	-	20,062
Office furniture and equipment	9,989	(7,543)	2,446
Educational videos	13,638	(3,722)	9,916
Computer equipment	6,550	(4,816)	1,734
Total	\$ 501,729	\$ (221,352)	\$ 280,377

NOTE 5. POULTRY IN MOTION EDUCATIONAL MINI BARN PROGRAM COST SHARING

Accounts receivable arise from a cost sharing arrangement for the operation of the "Poultry in Motion" mini barn. The British Columbia Broiler Hatching Egg Producers' Association (BCBHEPA) has a 20% interest in the Lower Mainland and Vancouver Island Poultry in Motion Mini Barn Program. Costs for Lower mainland and Vancouver Island Poultry in Motion mini barns are totaled each fiscal year, 20% of the costs are allocated to the BCBHEPA. The \$13,387 accounts receivable arise from a cost sharing arrangement for the operation of the Poultry in Motion Educational Mini Barn Program.

NOTE 6. ACCOUNTS PAYABLE

	2021	2020
Trade payables and accrued liabilities	\$ 10,459	\$ 25,150
Due to directors	21,085	28,251
Due to BC Chicken Marketing Board	272,370	270,967
Total	\$ 303,914	\$ 324,368

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDING DECEMBER 31, 2021

NOTE 6. ACCOUNTS PAYABLE

Amounts due to directors include per diems payable and reimbursements payable for general operating expenses. Amounts due to the BC Chicken Marketing Board relate to the return of Surplus plus GST.

NOTE 7. DEFERRED CONTRIBUTIONS

	2021	2020
BC Sustainable Poultry Farming Group grant restricted for the purchase of Vancouver Island Poultry in Motion trailer	\$ 9,216	\$ 11,520
BC Chicken Marketing Board contributions restricted for the purchase of Poultry in Motion assets	6,174	7,718
BC Investment Agricultural Foundation unused grant restricted for future period use, the grant is restricted for the Vancouver Island Poultry in Motion operating costs in order to support new and expanding markets.	7,781	3,331
Total	\$ 23,171	\$ 22,569

NOTE 8. RELATED PARTY TRANSACTIONS

Related party transactions consist of the following:

Rent amounts were paid to two directors and one association member for the storage of the three Poultry in Motion mini barn trailers and supplies on personal property. The total amount of rent paid for the year was \$12,800 (2020 - \$33,600) and is included in the Poultry in Motion operating expenses.

Per diem amounts were paid to the directors of the association in the amount of \$146,860 (2020 - \$139,965). These per diem amounts were compensation for the preparation for and attendance of director meetings, advocacy meetings, and Poultry in Motion operations. These amounts are included in directors remuneration and Poultry in Motion expenses.

Operating revenue and rental revenue was received from the BC Chicken Marketing Board, an entity related by having significant influence over the association. Operating revenue totaled \$706,040 (2020 - \$783,530), rental revenue totaled \$0 (2020 - \$30,000). The association has been using the building as the association office after the BC Chicken Marketing Board moved to another location on June 30, 2020.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties.

NOTE 9. ECONOMIC DEPENDENCE

The association receives substantially all of its funding from the British Columbia Chicken Marketing Board.

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDING DECEMBER 31, 2021

NOTE 10. POULTRY IN MOTION SCHEDULE OF COSTS

	2021	2020
Attendants' remuneration - directors	\$ 21,784	\$ 3,850
Coordinators' and presenters' honorariums	11,775	14,300
Operating costs	28,166	15,237
Poultry in Motion trailer storage	12,800	33,600
Commercial Insurance	1,500	1,500
Total program expenses	76,025	68,487
Poultry in Motion cost sharing with BCBHEPA	(10,360)	(12,221)
BCCGA total expenses	\$ 65,665	\$ 56,266

NOTE 11. GOLF TOURNAMENT SCHEDULE OF COSTS

The association, together with the BCBHEPA, organized an annual golf tournament during the fiscal year. The association hired a third party to manage the tournament. The net proceeds of the tournament were donated to local charities approved by the board.

	2021	2020
Tournament Revenue	\$ 84,920	\$ 27,822
Tournament expenses		
Course fees	26,672	-
Credit card charges	1,939	895
Tournament coordinator	6,000	6,000
Donations	50,359	24,375
Total expenses	84,970	31,270
Total	\$ (50)	\$ (3,448)

NOTE 12. RETURN OF SURPLUS

The association has an agreement with the BC Chicken Marketing Board to return a portion of the annual surplus. For fiscal 2021 the association has a surplus, the board has approved the return of surplus of \$259,400 plus GST (2020 - \$258,064 plus GST) to the BC Chicken Marketing Board.

BC CHICKEN GROWERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDING DECEMBER 31, 2021

NOTE 13. GRANT REVENUE

Grant revenue recognized during the year consists of:

	2021	2020
BC Sustainable Poultry Farming Group grant restricted for the purchase of Vancouver Island Poultry in Motion trailer.	\$ 2,304	\$ 2,880
BC Sustainable Poultry Farming Group grant restricted for the development of the Poultry in Motion website	5,000	-
BC Investment Agricultural Foundation grant restricted for Vancouver Island Poultry in Motion operating costs in order to support new and expanding markets.	3,050	7,493
Metro Vancouver Agricultural Awareness grant for Poultry in Motion Educational Mini Barns.	6,000	4,000
FCC grant for Poultry in Motion Educational Mini Barns	-	1,000
FCC grant for general operating costs	-	500
Total	\$ 16,354	\$ 15,873

**FILING A
REGULATED
MARKETING
APPEAL**

**WITH THE B.C. FARM INDUSTRY
REVIEW BOARD**



A person aggrieved or dissatisfied with an order, decision or determination of the following commodity marketing boards and commissions may file an appeal to the British Columbia Farm Industry Review Board (BCFIRB):

- *British Columbia Broiler Hatching Egg Commission*
- *British Columbia Chicken Marketing Board*
- *British Columbia Cranberry Marketing Commission*
- *British Columbia Egg Marketing Board*
- *British Columbia Hog Marketing Commission*
- *British Columbia Milk Marketing Board*
- *British Columbia Turkey Marketing Board*
- *British Columbia Vegetable Marketing Commission*

WHAT IS THE BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD?

The British Columbia Farm Industry Review Board (BCFIRB) is an administrative tribunal that has statutory responsibility for exercising regulatory and adjudicative functions independent of government in its general supervision of BC regulated marketing boards and commissions and in hearing regulated marketing appeals; farm practices complaints, and animal seizure appeals.

Originally known as the British Columbia Marketing Board (“BCMB”), BCFIRB was created in 1934 under the NPMA to supervise the commodity boards. Over the years, the role has been expanded and its authority redefined to address changes in the regulated marketing sector.

BCFIRB is composed of up to ten members appointed by Lieutenant Governor-in-Council (LGIC). Board members backgrounds vary, with experience in production, marketing, law and education related to agricultural issues.

HOW LONG DO I HAVE TO APPEAL?

BCFIRB must receive your written notice of appeal not more than thirty (30) days after the order, decision or determination of the commodity board or commission is made.

If an appeal is filed more than 30 days after the marketing board’s decision, the person filing the notice of appeal must explain what special circumstances exist that warrant BCFIRB accepting a late appeal (See ATA s.24: http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/00_04045_01).

DO I NEED LEGAL COUNSEL?

Only if you want or think you need it. It is your decision to make, and you will be responsible for paying your own lawyer.

WHERE DO I SEND THE APPEAL?

Either by mail, courier, fax or email as follows:

Mail:

Attention: Executive Director
British Columbia Farm Industry Review Board
PO Box 9129 Stn Prov Govt
Victoria BC V8W 9B5

Courier:

Attention: Executive Director
British Columbia Farm Industry Review Board
780 Blanshard Street
Victoria BC V8W 2H1

Email: firb@gov.bc.ca

Fax: 250-356-5131

WHAT SHOULD BE INCLUDED IN THE NOTICE OF APPEAL?

The notice of appeal must be accompanied by a non-refundable \$100.00 filing fee. Cheque or money order should be made out to the “Minister of Finance”.

The notice of appeal must include the following:

- *be in writing and signed*
- *identify the decision being appealed*
- *state why the decision should be changed*
- *state the outcome requested from BCFIRB*
- *include your name, address, telephone number, email (or the contact information of the person handling the appeal for you)*
- *include an address for delivery of any notices related to the appeal BCCMB’s notice of appeal form can be used to file an appeal.*

WHAT HAPPENS WHEN THE BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD RECEIVES THE APPEAL?

BCFIRB will send you a letter acknowledging the receipt of your appeal. This letter will also contain information which explains the appeal process in greater detail. At the same time, BCFIRB will notify the commodity board or commission concerned that an appeal has been filed and instruct them of their responsibilities as outlined in the Rules of Practice and Procedures.

BCFIRB will also ensure that the commodity board or commission has received a copy of your notice of appeal.

BCFIRB will issue notice to the parties requiring them to attend a pre-hearing conference call. The purpose of the pre-hearing conference will be to clarify the issue

on appeal and determine the position of each party as well as the remedies sought by the appellant. The pre-hearing conference call will also be used to confirm hearing dates and directions for the appeal hearing.

BCFIRB encourages parties to consider Alternative Dispute Resolution (ADR) to facilitate settlements of the matter under appeal and will assist the parties in establishing an ADR process. Parties can apply to BCFIRB requesting ADR. Discussions about possible ADR alternatives will also be an agenda item for the pre-hearing conference.

The hearing of your appeal will normally be held not more than 60 days after BCFIRB first receives your notice of appeal; however, these timelines will be dependent upon the circumstances of all the parties to the appeal.

What is the most important thing for me to remember?

BCFIRB must receive your written notice of appeal within 30 days of an order, decision or determination of the commodity board or commission. Failure to meet this deadline may result in BCFIRB not hearing your appeal.

HOW CAN I GET MORE INFORMATION?

For further information please refer to the **Rules of Practice and Procedures for Appeals**. Section 8 of the **Natural Products Marketing (BC) Act (NPMA)**, and the **Administrative Tribunals Act (ATA)**.

More information on the appeal process is available on BCFIRB’s website at: www.gov.bc.ca/BCFarmIndustryReviewBoard.

The standing orders of the commodity board or commission involved may also contain information.

Should you have any further questions please feel free to contact BCFIRB directly at:

Phone: 250 356-8945

Fax: 250 356-5131

Email: firb@gov.bc.ca

VISION

Leading a healthy, growing and profitable BC chicken industry.

PURPOSE

To regulate the pricing and production of BC chicken while meeting consumer expectations including animal care and on farm food safety; and working with industry partners to maintain sustainability as we grow the market.

Goals

Implement programs that provide the opportunity for a fair return to the producers, and allow processors to be competitive in the domestic market

Achieve "Best in Class" Board governance and business operations.

Implement programs that result in industry sustainability and diversity.

Implement programs to promote increased production and consumption of chicken in BC.

Working within the Federal Provincial Agreement for chicken to optimize growth opportunities for the BC chicken industry.

With our industry partners, staff and the public in mind, we are:

Values

Fair

we take a balanced approach in executing our responsibilities

Dependable

we can be counted on to do what we say we will do

Accountable

we hold ourselves responsible for our decisions and actions



BRITISH COLUMBIA CHICKEN MARKETING BOARD

Phone: 604 859 2868

Unit 220 - 1848 McCallum Road, Abbotsford BC V2S 0H9

www.bcchicken.ca

