

BC CRANBERRY MARKETING COMMISSION

cranberries

2021 ANNUAL REPORT



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MISSION

Enhancing the viability of the BC Cranberry Industry through research, industry promotion and communications, and regulations.

website bccranberries.com

Inside cover photo courtesy of Michael Downie



Message from our Chair



Whilst we thought 2020 was “a year like no other”, I would have to say that that ignominious award belongs to 2021 where we had the ongoing pandemic, fires, a heat dome, and floods. However, despite the trials and tribulations of 2021, our hard-working farmers persevered with a bumper crop of 1,012,785.95 barrels of cranberries.

The Commission has met in-person periodically with COVID safety protocols in place, but for the most part, meetings have been online. All of COGA and COMB meetings have been online, and meetings have been well attended.

There was considerable time spent on Strategic Planning and revision of our General Orders. Our 5 strategic priorities will lead our activities over the coming year. The revised General Orders have increased clarity particularly with respect to agency responsibilities.

I am also pleased to inform you that Hopcott Farms is our newest producer vendor.

The Research Farm continues to be a great

asset to cranberry growers in BC and the research on new varieties is showing promise for greater yields. We hope that in 2022 we will be able to resume open house days at the farm as well as a Field Day at a grower’s location. The Cranberry Congress, similar to last year, will be held in an online format with involvement from growers in Washington State as well as Oregon State.

As your Chair it is my honour and privilege to work with a hard-working board of directors and our fantastic manager Coreen. As circumstances change, we have managed to keep our finger on the pulse and adapted as necessary.

For the most part, the cranberry growers have been in the business of growing for several generations, and although the past few years have been difficult, to say the least, the growers have weathered other bad years, have a high level of resilience and grit, and will continue to persevere.

With best regards,
Kalpna Solanki
BC Cranberry Marketing Commission



Our Board, Committees and Staff

BOARD MEMBERS

Kalpna Solanki, Chair

Cabinet Appointment

Jack DeWit, Vice Chair

Licensed Grower, Elected Member

Jeff Hamilton, Secretary

Licensed Grower, Elected Member

Todd May

Licensed Grower, Elected Member

Andreas Dolberg

Appointed Member

Clinton May (to June 10, 2021)

Licensed Grower, Elected Member

STAFF

Coreen Rodger Berrisford, M.Sc. P.Ag.

General Manager (Part Time)

Jack Wessel

Finance Manager (Part Time)

Pavlo Tkhoryk to March 31, 2021

Communications Assistant
(Short term contract)

Joanna Tang from April 6, 2021

Communications Assistant
(Short term contract)

COMMITTEES

Congress Committee

Jeff Hamilton, Chair

Members include Licensed Grower representatives, the BC Cranberry Growers Association, Ocean Spray a retired AAFC Researcher and the BC Ministry of Agriculture.

Crisis Response and Communications Committee

Jack DeWit, Chair

Members include the BC Cranberry Growers Association, Ocean Spray, the BC Ministry of Agriculture and Kalpna Solanki.

Industry Advisory Committee

Linda Delli Santi, Chair, BC Greenhouse Growers Association Executive Director

Members include BC Cranberry Growers Association representative, an Ocean Spray representative, and a Pacific Canadian Fruit Packers representative

Field Day Committee

Jack DeWit and Clinton May, Co-Chairs

Members include the BC Cranberry Research Farm Society, the BC Cranberry Growers Association and Ocean Spray.

Research Committee

Todd May, Chair

Members include Licensed Grower representatives, the BC Cranberry Research Farm Society, the BC Cranberry Growers Association, Ocean Spray Cranberry Researchers the BC Ministry of Agriculture, Jeff Hamilton and Kalpna Solanki.

Our Mandate, Mission and Partners

The BC Cranberry Marketing Commission is legislated to ensure orderly marketing of cranberries in B.C. The Commission is accountable to the Government of BC through the Farm Industry Review Board. The Commission updated their strategic plan in 2021. It can be found at bccranberries.com/about-us/strategic-plan/

Our Mission is enhancing the viability of the BC Cranberry Industry through research,

industry promotion, communications and regulations.

In 2021, the Commission carried out its mandate and mission through licensing, quality assurance, research, education, communication and promotion. Our key collaborators are our licensed growers, producer vendors and agencies, however we work with many organizations to achieve results as seen below.



•BC Cranberry Growers Association

•BC Cranberry Research Society



CRANBERRY MARKETING COMMITTEE
UNITED STATES OF AMERICA

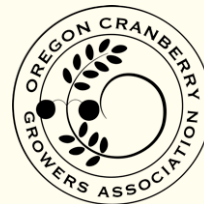


RUTGERS
THE STATE UNIVERSITY OF NEW JERSEY



COMB - COGA

Council of Marketing Boards/Centre for Organizational Governance in Agriculture



WASHINGTON STATE UNIVERSITY



•BC Ministry of Agriculture

•Farm Industry Review Board



Agriculture and Agri-Food Canada

Agriculture et Agroalimentaire Canada



Investment Agriculture Foundation of British Columbia



Our Industry

BC is the second largest producer of cranberries in Canada after Quebec. Cranberry marketing is regulated in BC so any growers with more than 2 acres of cranberries are required to get a license. Licensed growers sell their cranberries to licensed agencies. There are 70 cranberry farms that sell to three agencies and 7 producer-vendors that both grow and sell their own cranberries. Most cranberry farms are family owned and operated. Over 97% of growers are members of the Ocean Spray Cooperative. Even producer vendors who grow and sell some of their own cranberries are members of Ocean Spray and deliver cranberries to the Cooperative. This resulted in 97% of all BC grown cranberries being received by Ocean Spray stations in Richmond and Langley in 2021. Most of those cranberries are shipped to the United States to be processed into Craisins due to their high quality in firmness and colour. Coast Cranberries and Pacific Canadian Fruit Packers also buy and process local cranberries. Producer vendors sell raw cranberries as well as offering sauces and other food products made from cranberries

directly off farm, at farmers markets or through retail partners.

In 2021, total cranberry acres in BC were 6,374, down from nearly 6,500 in 2020. This was primarily due to one - 100 acre farm and several smaller, lower producing farms taking their fields out of cranberry production. BC cranberry production for the year was 1,012,785.95 barrels. A barrel is equivalent to 100 pounds. The average yield in 2021 was 221 barrels per acre. Of the 6,374 total cranberry acres, approximately 1,200 are being replanted to newer, higher yielding varieties. New cranberry fields take 3 to 5 years to become fully mature and reach their full yield potential. The BC Cranberry Research Farm has been instrumental in demonstrating which varieties perform best in BC conditions.

The year had significant weather events which impacted farms differently depending on location. The spring had late frost events, the summer had the heat dome and the winter had flooding issues. Overall, the cranberry industry fared well although a few farms were impacted significantly.



Regulated Marketing



Licensing

The BCCMC licensed 74 Growers, 7 Producer Vendors and 3 Agencies in 2021. Hopcott Farms was licensed as a new Producer Vendor. Hopcott Farms has their own farm market and deli and are planning to expand their farm market cranberry sales. Ocean Spray Inc., Coast Cranberries Ltd and Pacific Canadian Fruit Packers Inc. renewed their agency licenses in 2021.

Regulatory Compliance

Another function of regulated marketing is to provide public assurance of food safety and we are proud to report that 100% of our cranberry growers were once again fully compliant with Canadian Pesticide Regulations. Exporters also verified their

understanding of and compliance with importer country regulations.

As part of a biosecurity risk assessment for the sector, the Commission determined that increasing their ability to evaluate the food safety of producer vendors who are direct selling to the public was needed. An experienced Food Safety Coordinator was commissioned to review pesticide records and food safety programs for producer vendors. All records were compliant as noted above. All farms who deliver cranberries to licensed agencies have their records automatically reviewed as part of the food safety regime of the agency and the agency reports to the Commission.

Grower Programs

Pacific Northwest Cranberry Congress 2021 - Virtual



2021 was the first year that BC, Washington and Oregon collaborated and put on a joint Congress. The Congress was held on the mornings of February 18th and 19th and was well received with over 180 participants online at one time. Oregon State University hosted the Zoom site and the collaboration of the three regions brought excellent speakers from both countries. The participants rated the event as 4.6 out of 5 for in terms of overall satisfaction and 4.8 out of 5 indicating they would come to the next Congress with a preference to the virtual and collaborative format.

The first morning had a BC Research Farm update, presentations on weed and fungal control as well as one on cranberry phytochemicals or phytonutrients. New Pesticide registrations were also covered for the US and Canada. The second day had a panel on research projects for variety trials, soil moisture sensors, pollination deficit, vole control, heat protection, and nutrient management. One section introduced Agriculture and Agri-Food Canada Researchers to growers and attendees. The proceedings can be found at tinyurl.com/crancongress21.

Day 1 video - tinyurl.com/21crancongress1

Day 2 video - tinyurl.com/21crancongress2



Grower Webinars

Two webinars were held in collaboration with the United Flower Growers. A Well Registration Seminar to help growers learn how to register their wells and secure their water rights was held on June 24th with the Ministry of Agriculture. The other webinar was focussed on labour and specifically temporary foreign worker applications and processes and was delivered by the Western Agricultural Labour Initiative (WALI) on October 21st.

Open Houses and Field Day at the Farm

Due to COVID-19 there were no open houses at the farm in 2021. A Field Day was planned

since the COVID-19 restrictions had lifted temporarily although with the significant level of uncertainty within the grower community and insufficient sign up, the event was cancelled. However, those who indicated an interest were encouraged to make appointments with the Research Society to schedule some time with a researcher at the farm on their own or with a small group.

IPM Bulletins

The BC Cranberry Marketing Commission also co-funded the Integrated Pest Management Bulletins for Cranberry Growers with alerts for Pests like these below.



Research for BC

The Research Committee met three times in 2021. In February, to adjudicate new project proposals, in May to review a resubmitted proposal and in December to review interim reports for 2021 research projects and to finalize the research priorities and request for proposals for 2022.

The Commission approved 3 research projects in 2021. The variety trial work continues with an emphasis on canopy management. Two other projects which were delayed due to COVID-19 last year, were able to proceed in 2021. These projects were Prohexadione calcium for canopy management in cranberries submitted by Dr. Charitha Jayasinghege at Agriculture and Agri-Food Canada and Assessing an herbicide layering strategy in newly renovated and established cranberry fields submitted by Dr. Jichul Bae.



Pheremone trap for IPM.

We are looking forward to seeing their final reports and presentation at the 2022 Pacific Northwest Cranberry Congress.

Testing herbicide layering control of Horsetail

Treatment #4



Treatment #10



BC Cranberry Research Farm 2021 AGM Report

Looking back on this past growing season in 2021, perhaps the words unseasonable or unpredictable weather are the best way to summarize the year. From localized late frost events in May, to the extreme heat during the last week of June, the torrential rain events of November and closing out the year with temperatures dipping to -15 C and a covering of snow, BC has experienced some very dramatic weather in 2021.

A big question will be, how have the plants coped with these environmental stressors in both the short and long term? Not easy questions to answer, but fortunately as cranberry farmers we have many resources available allowing us to prepare and react to these events. Irrigation systems are in place to allow for frost protection and evaporative cooling. Growers typically have techniques and procedures with their water management practice to handle heavy rainfall events, and storage capacity in the event of long-term dry weather. Looking to the future, we should anticipate further extreme situations, so we can act quickly and effectively when such events occur.

The BC Cranberry Research Farm is always looking to improve and build on the great resources already in place. We are continually seeking more information and knowledge for the BC Growers through many projects and areas of study. From effective irrigation systems, soil / water monitoring and mapping, canopy temperature and humidity evaluation, to the hybrid varietal evaluations in the unique south coast BC microclimate, pest / life cycle surveillance, and control product screening. These are just some of the past, ongoing and future projects in place at the BCCRF.

Overall, the 2021 crop at the BC Cranberry Research Farm at 1902 bbls was very similar to the 2020 yield of 1930 bbls. Harvest took



place from October 10-15th. The whole farm % poor was averaged at 1.02%, the firmness average was 771 and the average percent Class 1 (low colour) was 1.09%. The BCCRF's crop percent greater than 1/2" was averaged at 91.2%, slightly down from 2022. Note, this is an amalgamation of all fields and varieties under cultivation at the farm.

For specific BC Cranberry Research Project Reports and Varietal Evaluations, please visit www.bccranberries.com and follow the links.

As the 2022 growing season approaches, planning for research and demonstration projects are being set in place at the BCCRF, and in some cases are already ongoing. As COVID restrictions are lifted, BCCRF looks forward to hosting drop-in / field day events for Growers and the BC Cranberry industry in 2022. In the short term, education through online resources, the virtual Pacific Coast Cranberry Congress, and numerous other cranberry educational programs are available to provide education and growth for the present and future generations of cranberry farming in BC.

Cranberry Promotion and Communications



PROMOTION

Promotion of cranberry consumption is part of the mandate of the Commission. We had several activities in 2021 and implemented a new tactic for the Dieticians of Canada. The year's promotions started with the Vancouver Wellness Show Virtual edition where we had well known local nutritionist, Diana Steele, do a video showing how you can use cranberry products, their health benefits and how to make cranberry sauce. The video can be seen on our NEW YouTube channel at tinyurl.com/cranhealth.

We continued our weekly ads in the Dietician's weekly e-newsletter up to March 2021. This e-newsletter has a distribution of over 6500 Canadian Registered Dieticians, and we also did a dedicated e-blast one pager during the month of the Virtual Conference in June which was viewed by over 4,000 viewers. We found that the engagement of the dedicated e-blast was higher than the weekly ads. The one-pager

titled Give Thanks to Your Health All Year Long with Cranberries was developed by Pollock Communications for the Cranberry Institute who was happy to share it with us for our promotion. The "calendar" had 12 facts to know about cranberries.

BC Agriculture in the Classroom

We continued to support BC Agriculture in the Classroom (AITC). The Take a Bite of BC program is a great way to get youth cooking

Dietician Video on cranberry products health benefits [HERE.](#)

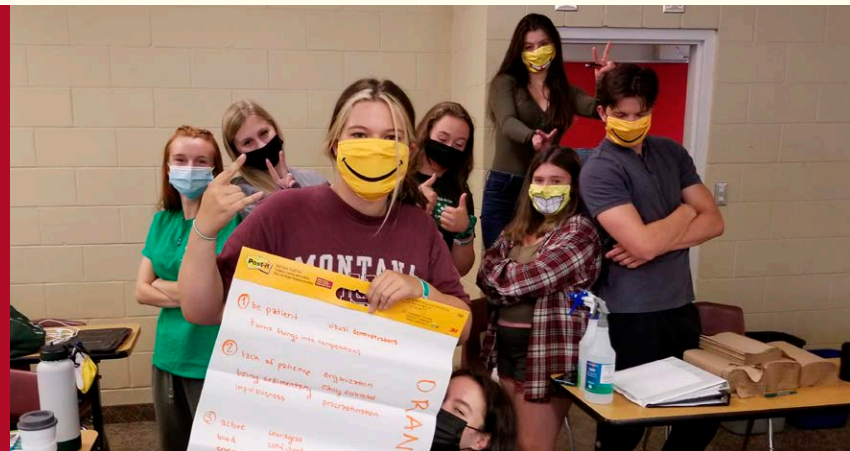




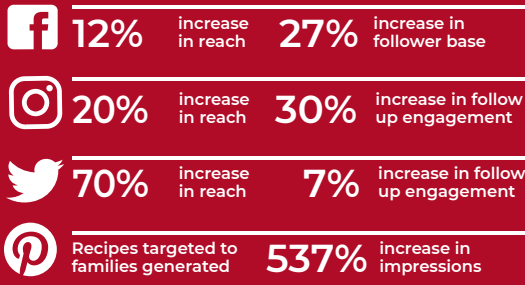
The BCCMC also supported BC 4-H in 2021. The funds go towards the Youth Ambassador program. Nineteen youth aged 16 to 20 from around the province participated in 4 online training sessions and one long weekend

of team building, leadership training and practice. Danae Kong, one of the 4-H Ambassadors wrote in her thank you card, "Thank you for your ongoing support of 4-H, you are growing up the next generation of leaders and active citizens!"

We continue to provide educational resources for teachers and children on the website and shipped a package of posters to AITC for teachers to put in their classrooms. Materials are also made available to agencies and producer vendors and to growers for hosting tours.



SOCIAL MEDIA STATISTICS



COMMUNICATION

The Commission's primary communication vehicles are e-blasts, the website and a quarterly newsletter in partnership with the BC Cranberry Growers Association. E-blasts are a timely way to share information with our licensees and other stakeholders. This year we ported the e-blasts over to MailChimp to give it an uplift and so that we can track the usage to see what is of interest to our readers.

The quarterly newsletter, the Cranberry Web, continues to be distributed to over 130 individuals each quarter and is posted on the website for easy reference.

Crisis Communications Coordination

The General Manager, Coreen Rodger Berrisford, is the key contact for any media inquiry related to a crisis such as a significant injury or death in a bog, accident with workers, food borne illness situation, boycott or any issue that can negatively impact the reputation, legal liability

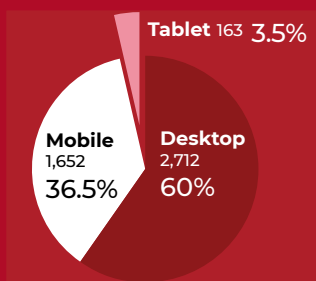
or economics of the industry. Thankfully no crises occurred in 2021 which required media management as on the whole, the cranberry farms were not significantly impacted by the flood or heat dome events.

BC Cranberries Website and Social Media Performance

Our social media increased over all categories from 2020 to 2021. Website traffic increased over 10%, our Facebook followers increased nearly 30%, Instagram increased 30% and Twitter increased 7%. We had a much more consistent presence on Pinterest which resulted in a more than 5 fold increase in impressions. This year we said goodbye to Pavlo as he secured a full time marketing position and we welcomed Joanna Tang, student from Douglas College as our part time Communications Assistant. Congratulations Pavlo and Welcome Joanna!

WEBSITE STATISTICS

2021 Access Platform to Website



Visitors by Country

	2018	2019	2020	2021
Canada	2,763	2,249	2,795	2,848
USA	581	600	555	759

Website traffic increased by 10.12% from 2020

	2019	2020	2021
	3,358	4,110	4,526

Governance

The Commission had two key governance initiatives in 2021: Updating the Strategic Plan and the General Orders. Industry insight and feedback was gathered through a survey of all growers and agencies as well as key interviews. Our basic SAFETI values of being Strategic, Accountable, Fair, Effective Transparent and Inclusive in all we do has not changed. We clarified our mission as enhancing the viability of the BC Cranberry Industry through research, industry promotion, communications and regulations. We also identified Five Strategic Priorities as follows:

1. Reinforce leadership by establishing stronger engagement of all stakeholders
2. Strengthen collaborative relationships with industry
3. Support the adoption of up-to-date research, production methods and strategies
4. Support industry and board succession and
5. Provide increased industry promotion and review diversification opportunities

Action items for each strategic priority will be identified in the 2022 work plan.

The General Orders were updated to address concerns expressed by the Farm Industry Review Board (FIRB) with respect to clarity as well as issues raised through the 2020 agency designation process that demonstrated ambiguity in the agency application, process and responsibilities. In addition, since the Orders were enacted, processing capacity in BC has increased which required a review to determine if the current orders sufficiently incorporate processors and food safety. The Review included analysis of the other Marketing Boards and Commissions in BC, consistency with the marketing scheme, input from



the Farm Industry Review Board and a legal review. The General Orders, September 2021, are on the website bccranberries.com/growers/regulation/

The Commission is accountable to the public, to the Farm Industry Review Board (FIRB) and to the industry it serves. The Commission submitted their annual Public Accountability and Reporting Project (PARP) report to FIRB in April 2021. This report includes statistics of the industry and performance targets for the Commission and industry. It also outlines the BCCMC Board Governance tools, training, decision making processes and policies as well as our financial responsibility and accounting framework.

Directors and staff participate in ongoing professional development through the Centre for Organizational Governance in Agriculture (COGA). Sessions in 2021 included: AgriStability: The Math, the Myth and the Legend; Emerging Pest Issues: Managing the Risk Workshop; Making Good Decisions in Uncertain Times; SAWP Update; Building Boards; Ag Technology in BC - Who, Why and How; Understanding & Monitoring Financial Statements from a Governance Perspective; Board-Staff Partnership and Board Confidence.

Looking Ahead – 2022



2019 Farm Report

I certainly didn't think we would still be dealing with COVID-19 throughout 2021 with incidences and restrictions going up and down over the year but we sallied forth. We welcomed the ability to have some in-person meetings and were pleased that we were able to eventually have a small but meaningful ceremony for Jack Brown who served the Commission over so many years. We welcomed Kalpna Solanki as our new Chair and her input into the Strategic Planning and Regulatory Review processes was instrumental. Another positive experience was the first Pacific Northwest Cranberry Congress, we had excellent attendance and reviews and the

collaborations that were built in 2021 will continue to serve our industry.

In 2022 we will be developing actions to address all the strategic priorities identified in the strategic plan. We will be revisiting our election policy and will be looking for new ways to promote our industry. We are looking forward to the second virtual Pacific Northwest Cranberry Congress as we are collaborating again with Washington State and Oregon Growers. We are planning a fall open house at the research farm and a Field Day at a grower's operation. I'm sure we are all looking forward to some networking as well as knowledge sharing time. We are participating in the Vancouver Wellness Show – live event and will be sending out another dedicated e-blast to the Dieticians of Canada. Everything we do is in partnership with so many and we honour these collaborations and look forward to working together again.

Coreen Rodger Berrisford, MSc, P.Ag
General Manager
BC Cranberry Marketing Commission



BC Cranberry Marketing Commission Financial Statements

Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of British Columbia Cranberry Marketing Commission

Report on the Financial Statements

Opinion

I have audited the financial statements of British Columbia Cranberry Marketing Commission (the organization), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, 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 my 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 cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

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 organization in accordance with 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 the financial statements in accordance with ASNPO, 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

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:

(continues)

Independent Auditor's Report to the To the Members of British Columbia Cranberry Marketing Commission (*continued*)

- 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause 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.

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.

Langley, British Columbia
February 14, 2022

Agatha Cluff Inc.
CHARTERED PROFESSIONAL ACCOUNTANT

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 93,786	\$ 42,841
Term deposits (Note 3)	1,205,000	1,206,987
Accounts receivable	8,505	15,132
Prepaid expenses	2,500	2,500
	<u>1,309,791</u>	1,267,460
LONG TERM INVESTMENTS (Note 4.)	<u>75,000</u>	-
	<u>\$ 1,384,791</u>	<u>\$ 1,267,460</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 4,200	\$ 7,810
Goods and services tax payable	2,300	971
	<u>6,500</u>	8,781
NET ASSETS	<u>1,378,291</u>	1,258,679
	<u>\$ 1,384,791</u>	<u>\$ 1,267,460</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	2021	2020
REVENUES		
Levies and licenses	\$ 338,076	\$ 247,307
Interest income	17,809	23,255
Domestic promotion income	3,330	15,552
Production Research Grant - IAF	4,235	10,809
Grower programs income	-	6,724
	<u>363,450</u>	<u>303,647</u>
EXPENSES		
Administration	93,508	94,337
Communications	11,113	7,487
Foreign exchange	196	4,814
Governance	35,140	36,627
Grants	3,100	4,000
Legal fees	2,987	1,471
Memberships	12,514	12,316
Professional fees	4,200	4,100
Special projects	14,189	-
Supplies and services	7,866	1,842
	<u>184,813</u>	<u>166,994</u>
Excess of revenues over expenses from operations	178,637	136,653
OTHER EXPENSES		
Development and production expenses (Note 5)	59,025	102,587
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 119,612</u>	<u>\$ 34,066</u>

See notes to financial statements

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Changes in Net Assets
Year Ended December 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 1,258,679	\$ 1,224,613
Excess of revenue over expenses	<u>119,612</u>	<u>34,066</u>
NET ASSETS - END OF YEAR	<u>\$ 1,378,291</u>	<u>\$ 1,258,679</u>

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	<u>\$ 119,612</u>	<u>\$ 34,066</u>
Changes in non-cash working capital:		
Accounts receivable	6,627	(3,289)
Accounts payable	(3,610)	3,711
Goods and services tax payable	<u>1,329</u>	<u>(2,571)</u>
	<u>4,346</u>	<u>(2,149)</u>
Cash flow from operating activities	<u>123,958</u>	<u>31,917</u>
INVESTING ACTIVITIES		
Term deposits	1,987	(265,528)
Long term Investments	<u>(75,000)</u>	<u>200,000</u>
Cash flow used by investing activities	<u>(73,013)</u>	<u>(65,528)</u>
INCREASE (DECREASE) IN CASH FLOW	50,945	(33,611)
Cash - beginning of year	<u>42,841</u>	<u>76,452</u>
CASH - END OF YEAR	<u>\$ 93,786</u>	<u>\$ 42,841</u>

See notes to financial statements

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION

Notes to Financial Statements

Year Ended December 31, 2021

1. DESCRIPTION OF OPERATIONS

The Commission is established under the Natural Products Marketing (BC) Act for the purpose of regulation, marketing and promotion of the BC cranberry industry.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

Cash and cash equivalents consist primarily of cash and cashable term deposits. Because of the liquidity of these investments, their carrying amount approximates fair value.

Investments

Short term investments consist of cashable and non-redeemable term deposits with a maturity date of less than twelve months, are carried at amortized cost.

Long term investments are non-redeemable term deposits with maturity dates over one year. They are carried at amortized cost.

Deferred revenue

Unearned income represents growers levies received in advance.

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 unrealized 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.

Revenue recognition

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

(continues)

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
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Year Ended December 31, 2021

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

Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. TERM DEPOSITS

	<u>2021</u>	<u>2020</u>
Term deposits held	<u>\$ 1,205,000</u>	<u>\$ 1,206,987</u>

Short term and cashable term deposits are held by Envision Credit Union. The terms earn interest at 0.5% to 1.1% per annum, maturing from March 11, 2022 to September 11, 2022.

4. LONG TERM INVESTMENTS

Long term investments are non-redeemable term deposits held by Envision Credit Union. The term deposit of \$75,000 earns interest at 1.3% per annum, maturing July 19, 2023.

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5. DEVELOPMENT AND PRODUCTION EXPENSES

Development and production expenses

	<u>2021</u>	<u>2020</u>
Production research	\$ 49,701	\$ 54,950
Domestic market development	9,324	27,686
Congress	-	6,853
Foreign market development	-	13,098
	<u>\$ 59,025</u>	<u>102,587</u>

6. ECONOMIC DEPENDENCE

The organization receives approximately 95% of its grower levies through one agency. Should the agency be unable to meet its legislative requirement, this change could affect operations and programs provided. However, the Commission has legislative authority to collect levies from all growers directly, and thus the impact to operations and programs would be negligible.

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION

Notes to Financial Statements

Year Ended December 31, 2021

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization's accounts receivable historically consists of government funding for specific programs and accrued interest on cashable term deposits, and poses minimal collections risk.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its receipt of funds from its customers and accounts payable.

Interest Rate Risk

Interest rate risk is the risk that the value of the financial instrument might be adversely affected by a change in interest rates. The Commission is exposed to interest rate risk primarily through term deposits held.

Currency Risk

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization holds \$21,886 US (\$27,861 Canadian) Funds at December 31, 2020.

Fair Value

The organization's carrying value of cash, term deposits, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

Statistics

BC Cranberry Statistics

Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Growers	70	75	75	74	70	76	72	72	72	73	72
Acreage	6,374	6,556	6,297	6,382	6,411	6,483	6,483	6,541	6,566	6,539	6,505
Production (barrels)	1,012,786	1,003,998	631,045	1,347,753	858,941	1,007,684	988,803	837,538	941,277	944,051	607,520
Yield (barrels per acre)	221	174	100	211	134	155	153	128	143	144	93
Producer Vendors	7	7	6	5	5	6	6	6	7	8	7
Agencies	3	3	3	3	3	4	4	4	4	4	4

Quebec Cranberry Statistics

Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Growers	80	81	78	78	80	82	82	84	81	80	76
Acreage	10,777	10,682	10,145	9,965	9,828	9,504	9,247	8,516	7,657	7,070	5,880
Production (barrels)	2,201,382	2,306,906	2,558,094	2,513,928	1,602,672	2,758,937	2,085,387	2,410,472	1,621,764	1,854,680	1,193,306
Yield (barrels per acre)	227	216	252	252	163	290	226	283	212	262	203

US Cranberry Statistics

Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Acreage	40,995	40,990	42,200	40,800	40,950	41,500	41,400	40,600	42,000	40,300	38,500
Production (barrels)	6,684,528	7,732,511	7,588,208	8,681,622	8,121,986	9,250,745	8,052,970	8,058,550	8,818,612	7,937,249	7,754,592
Yield (barrels per acre)	163	176	180	213	198	223	195	198	210	197	201

