

ANNUAL
REPORT
2022

BC Cranberry
Marketing
Commission

cranberries





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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 US Cranberry Marketing Commission

Message from our Chair



I am glad to have the opportunity to provide an overview of the past year, and also bid you all “adieu” as I will be taking on the role of Chair of the BC Turkey Marketing Board.

This past year has been a full one. Despite the trials and tribulations of the ongoing pandemic, a very wet spring and early summer, followed by a heat dome, we managed to accomplish a great deal.

In summary:

1. The Pacific Northwest Cranberry Congress online was very successful with attendees from BC, WA, and OR
2. We had a very successful Field Day with a high level of participation from growers, researchers, processors, and several politicians
3. The Election Policy was updated to enable online voting.
4. The IPM bulletin was supported by the Commission
5. A Food Safety Program was developed and implemented for Grower Vendors

6. The Commission supported six research projects for the benefit of BC growers
7. A new marketing channel increased our reach to BC consumers
8. The Commission supported any licensed grower to attend the Centre for Organizational Governance in Agriculture personal and professional development sessions
9. The development of two promotional videos profiling the cranberry industry and research
10. The Commission is now a member of the Investment Agriculture Foundation

With my final Chair’s report, I would also like to acknowledge the support of Minister Lana Popham to the industry over the years and would like to welcome Minister Alexis to her new cabinet position. We look forward to working with Minister Alexis.

With best regards,
Kalpna Solanki, Past Chair
BC Cranberry Marketing Commission



Our Board, Committees and Staff

BOARD MEMBERS

Kalpna Solanki, Chair

Cabinet Appointment to December 21, 2022

Stephanie Nelson, Chair

Cabinet Appointment
from December 21, 2022

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

STAFF

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

General Manager (Part Time)

Jack Wessel

Finance Manager (Part Time)

Joanna Tang to June 16, 2022

Communications Assistant
(Short term contract)

Jack Harris from June 13, 2022 to December 31, 2022

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, a representative from Oregon State University and a representative from the Washington Cranberry Growers' Alliance. This committee has been expanded to support the Pacific Northwest Cranberry Congress.

Crisis Response and Communications Committee

Jack DeWit, Chair

Members include the BC Cranberry Growers Association, Ocean Spray, the BC Ministry of Agriculture and the Commission Chair.

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, Chair

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 the Commission Chair.

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 on our website at bccranberries.com/about-us/strategic-plan.

Our 5 Strategic Priorities are

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
5. Provide increased industry promotion and review diversification opportunities

Our Mission is enhancing the viability of the BC Cranberry Industry through research, industry promotion, communications and regulations.

In 2022, the Commission carried out its mandate and mission through licensing, quality assurance, research, education, communication and promotion. Our key collaborators are our licensed growers, grower 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



•BC Ministry of Agriculture
•Farm Industry Review Board



COMB - COGA

Council of Marketing Boards/Centre for Organizational Governance in Agriculture



WASHINGTON STATE
UNIVERSITY



The CRANBERRY INSTITUTE™



UNIVERSITY
FRASER VALLEY



Agriculture and Agri-Food Canada

Agriculture et Agroalimentaire Canada



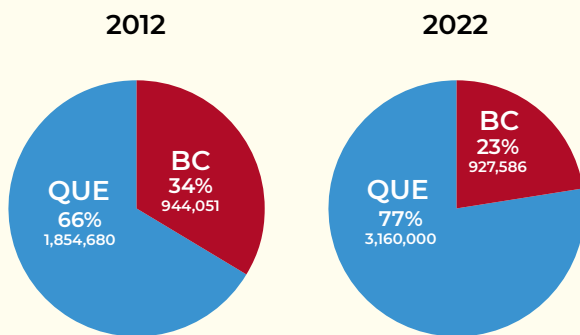
CANADA
4-H British Columbia

Our Industry



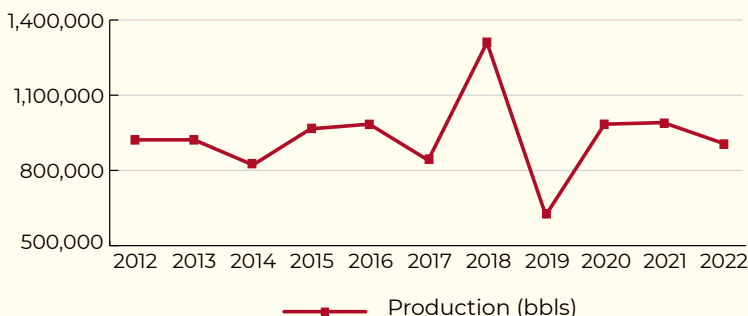
BC is the second largest grower of cranberries in Canada after Quebec. Cranberry marketing is regulated in BC so any growers with more than 2 acres of cranberries are required to get a license. Licensed growers sell their cranberries to licensed agencies. There are 71 cranberry farms that sell to three agencies and 7 grower-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 grower vendors who grow and sell some of their own cranberries are members of Ocean Spray and deliver cranberries to the Cooperative.

BC Share of Canadian Production (Barrels)



This resulted in 98% of all BC grown cranberries being received by Ocean Spray stations in Richmond and Langley in 2022. 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. Grower 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.

Volatile Production (bbls)



Total cranberry acres in 2022 were 6,435. BC cranberry production for the year was 927,591 barrels. A barrel is equivalent to 100 pounds. The average yield in 2022 was 189 barrels per acre. Approximately 1,200 are being replanted to newer, higher yielding varieties. New cranberry fields take 3 to 5 years to mature and reach their full yield potential. The BC Cranberry Research Farm has been instrumental in demonstrating which varieties perform best in BC conditions.

2022 had variable weather with a slow cold spring, hot summer periods and a dry fall which impacted yields and harvest. Overall, the harvest was lower than the two previous years.

Regulated Marketing

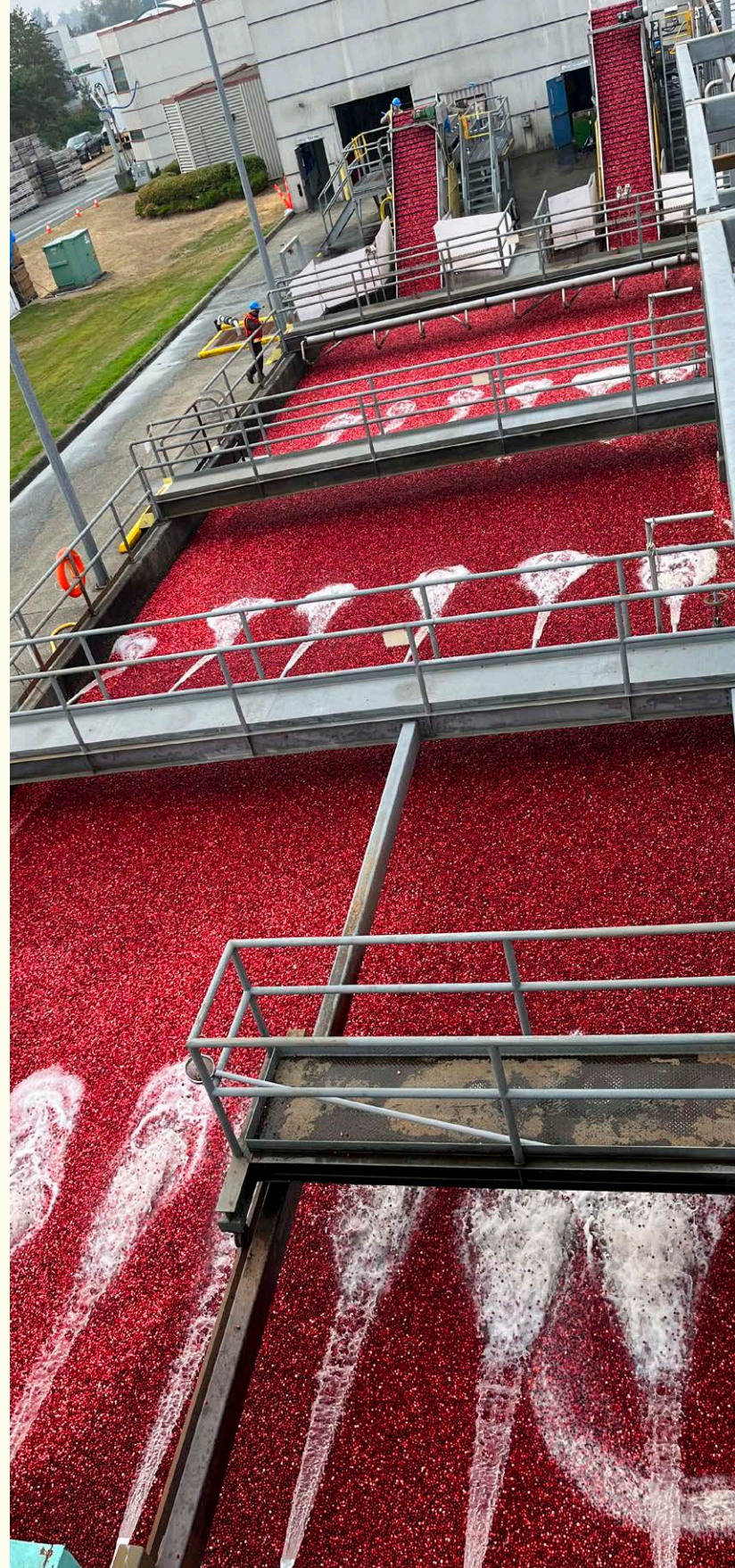
Licensing

The BCCMC licensed 71 Growers, 7 Grower Vendors and 3 Agencies in 2022. Grower Vendors are able to market more than 1,000 lbs of fresh fruit off the farm. They are licensed to pack, process and sell only the cranberries grown on their own farms. Bremner Cranberry, Glen Valley Cranberry Farm Ltd., Hopcott Farms, Maybog Farms Ltd, Pacific Cranberries Inc. Riverside Cranberries (a.k.a. The Bog) and Yellow Point Cranberries are licensed Grower Vendors. Ocean Spray Inc., Coast Cranberries Ltd. and Pacific Canadian Fruit Packers Inc. renewed their agency licenses in 2022. Agencies receive and market cranberries on behalf of cranberry growers.

Regulatory Compliance

Another function of regulated marketing is to provide public assurance of food safety. This year the Commission implemented a food safety program for grower vendors to ensure that direct marketed cranberries are at the same high quality as those sold through licensed agencies. Our growers are very conscientious, 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.



Grower Programs

Pacific Northwest Cranberry Congress 2022 - Virtual



2022 was the second year that BC, Washington and Oregon collaborated and put on a joint Congress, it was once again well received. The Congress was held on the mornings of February 16th and 17th and we had over 150 participants each day. Oregon State University generously hosted the Zoom site and the collaboration of the three regions brought excellent speakers from both countries and across the continent.

The first morning included BC Research Farm, Cranberry Institute and Cranberry Marketing Committee updates followed by presentations on Nutrient Management, Cold Hardiness of Cranberry Buds and Heat Protection. The second day included topics on fruit rot control, variety trials in BC, Herbicide layering strategy and canopy management. After the break Washington Research and new products were discussed then New Products in Canada. An interesting presentation on confining bees successfully was presented and the day ended with a presentation on black headed fireworm and cranberry weevil control. The proceedings can be found on the website at bccranberries.com/growers/cranberry-congress/

Photo courtesy of US Cranberry Marketing Commission



BC Cranberry Field Day

A Field Day was held at Hopcott Farms on August 30th. This event was attended by approximately 120 people. 10 suppliers participated in the trade show component and there were research poster presentations on 5 research projects funded by the Commission in 2022. We also had the Honourable Minister Lana Popham, MP Marc Dalton and MLA Lisa Beare participate in the day. A great lunch was catered by Hopcott Weddings where they tailored a menu for us to feature cranberries. Travis Hopcott provided farm tours.

IPM Bulletins

The BC Cranberry Marketing Commission co-funded the Integrated Pest Management Bulletins written by ES Cropconsult Ltd. for Cranberry Growers in 2022.

Center for Organizational Governance in Agriculture

In 2022, licensed growers were encouraged to attend personal and professional development sessions through the Centre for Organizational Governance in Agriculture, as they were promoted by the Commission and licensed grower registration fees would be paid by the Commission. Notices of each session and registration deadlines were sent via e-blasts throughout the year.



Research for BC

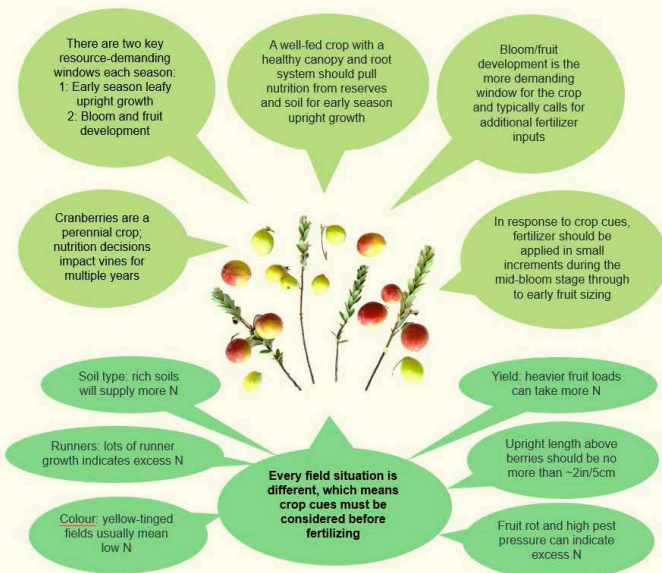


The BC Cranberry Marketing Commission supports cranberry research in BC to ensure our growers have the best varieties and practices to help our growers be leaders in the production and marketing of premium fruit.

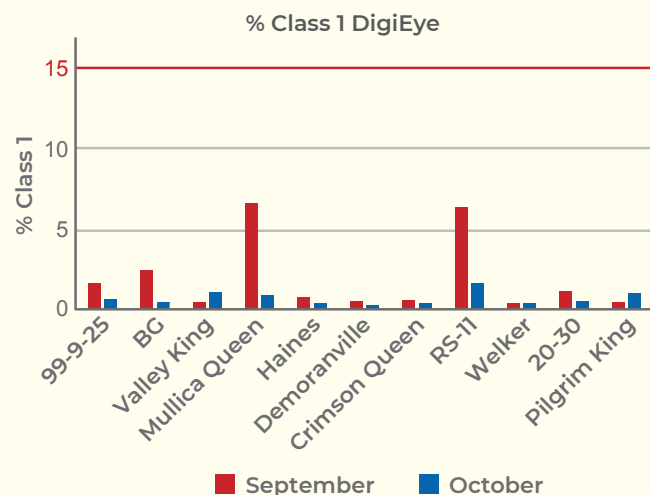
The Commission approved six research projects in 2022. The variety trial work continues with an emphasis on canopy management. Two other projects were funded for their second year, Prohexadione calcium for canopy management in cranberries led by Dr. Charitha Jayasinghege at Agriculture and Agri-Food Canada and Assessing an herbicide layering strategy in newly renovated and established cranberry fields led by Dr. Jichul Bae. Three new projects were Exploring Tools to Address Priority Insect and Weed Pests of British Columbia Cranberries, Exploring Canopy and Fruit Response to Fertilizer Applications in British Columbia Growing Conditions and Investigating the prevalence and identifying the species of aphids most commonly present in cranberries in the Lower Mainland of British Columbia.

We are looking forward to seeing their final reports and presentation at the 2023 Pacific Northwest Cranberry Congress.

Fertilizer research



Nutrition Basics



BC Cranberry Research Farm 2022 Year in Review

The 2022 growing season in BC started off slowly with cool and wet weather persisting through April, May and June. BC Growers who were renovating fields and replanting this past spring received plenty of early precipitation, which was ideal if they were able to get out in their fields to plant in May and early June.

The cool damp weather was a concern for the pollination of the early blooming varieties such as Crimson Queen and RS98-11. Fruit set was acceptable as the weather patterns changed toward the end of June and BC had some nice warm weather for pollination. Overall, the pollination was pushed back 10 – 15 days through most of the varieties, and this trend continued throughout the remainder of the growing season.

Additionally, when this sunny dry weather hit the south coast of BC, it lasted throughout the summer with very little precipitation received from July to mid October. There were concerns of inadequate moisture, possible drought conditions, higher than ideal salinity in irrigation water, and insufficient water for harvest. While there were a few isolated cases of these conditions on some farms, most growers were able to manage their resources well. Over time BC Cranberry Growers have been improving their farms and being proactive with the understanding that climate and weather is ever changing, and we need to be prepared for anything and everything from mother nature.

The biggest issue the 2022 crop faced was the delay of the cranberry blossom phenology. This setback continued beyond fruit set, and as harvest approached in the end of September, there was concern amongst growers that the fruit had not matured sufficiently both in size and colour and possibly that the cranberry plants were not ready (shutting down / going dormant) to be harvested. Consequently, many fields, especially with early varieties, were harvested a week to 10 days later than a normal year.

DigiEye colour analysis at the BCCRF on 10 varieties were compared in mid September

and early October 2022. Three varieties, Mullica Queen, BG and RS98-11 were over the 15% class one (white fruit) in September followed by Vasanna and Pilgrim King at 10% class 1. Comparing this data set to the September 2021 collections, only Mullica Queen and RS98-11 were above 5% class 1 in the previous year...darker fruit earlier in 2021.

The good news was that all varieties were below 15% class 1 fruit (acceptable harvest range) at the time of the October collections. For the most part, BC's cranberry crop ended up being coloured adequately and the fruit size (diameter) was larger than 2021. The BC Cranberry Research Farm mirrored these results, at least amongst the newer hybrid varieties being grown.

2022 harvest at the BCCRF took place 10 days later than 2021 (and most other years) with deliveries being sent out on October 21. The total 2022 crop at the BCCRF was 2091.44 bbls, up about 8.5% from 2021. The fruit greater than ½" was 96.93% in 2022 as compared to 91.20% in 2021. Firmness was very similar between years, 761 in 2022 and 771 in 2021 as was percent poor 1.05% verses 1.02%. The percent Class 1 fruit did show a slightly higher number of white berries at 1.66% in 2022 as compared to 1.09% in 2021.

These statistics were aggregates of all varieties being grown at the BCCRF. For specific varietal data, evaluation and year to year varietal comparison, please go to bccranberries.com and the Research Reports drop down menu will bring you to many past years' Cranberry Research Reports.

Additional 2022 BCCRF research projects looked into product screening trials, plant growth regulator/canopy management and product layering strategies for weed control, as well as initiating multiyear nutrient management trials. To hear directly from the Researchers and learn about progress and project results, be sure to attend the Virtual Pacific Northwest Cranberry Congress February 23 and 24.

Cranberry Promotion and Communications



PROMOTION

Promotion of cranberry consumption is part of the mandate of the Commission. We had many activities in 2022 and implemented a new channel for consumers. The year's promotions started with the Vancouver Wellness Show where we once again sponsored a Chef Cooking Stage which was the first time since 2020 that the show was in person. Since the e-blast for the Registered Dietitians was so successful last year, we did another one this year in May. This e-newsletter has a distribution of over 7,000 Canadian Registered Dietitians. A new opportunity we took advantage of, was as part of an advertorial in the Global Heroes insert into 4 major newspapers in BC including The Sun, The Province, The National and the Globe and Mail. These inserts are also published on social media with over 300k followers in BC. We profiled

the health benefits, the history and the diversity of uses for cranberries in BC. The two recipes submitted were the Black Bean Brownies and a keto friendly Cranberry Swirl Cheesecake. Then at the end of the year, we had the opportunity to be included in a Buy BC Chef Ned Bell event with CTV Morning Live where he created Santa's favourite Quiche – halibut quiche garnished with cranberry sauce. Our main promotional project was to have two videos made, one focused on research and innovation and the other, the life cycle of the cranberry and it's health benefits targeted to consumers. These are currently being edited and scripted for release in 2023. Finally, we participated in a Farm Credit Canada Promotion called Local and loving it! The best of BC-based recipes. This brochure will be handed out at the 2023 Pacific Agriculture Show.



“Thank you so much for the cranberries (donated by Ocean Spray), we use them in our baking, sauces and desserts. The quality is always fantastic and having such a great local product is perfect for teaching about eating locally.”

Chef Barbara Botter from Cedar Community Secondary

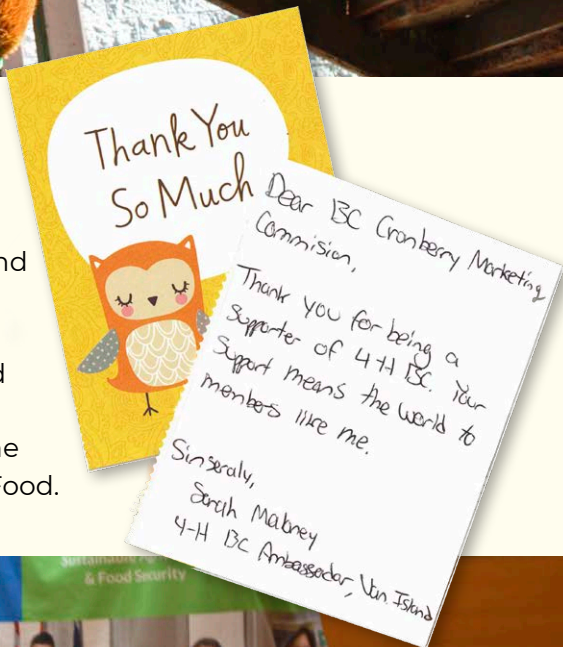
BC Agriculture in the Classroom

We continued to support BC Agriculture in the Classroom (AITC) and once again they shared the Cranberry Spotlight Series and BC's Cranberry story. They also included a Farm Explorer BC – The Bog story and in What's in Season, cranberries were included in their Fall Ag-Activity Book and they promoted an orange cranberry bread recipe on their website. They also distributed our cranberries poster to teachers as part of their welcome package at the beginning of the school year and in the Summer Institute Course. The highlight of their activities is the use of cranberries in the Take of Bite of BC culinary arts. The Commission also participated in the BC AITC Gala fundraiser.










The BCCMC also continued to support BC 4-H in 2022. 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. In 2022 we also supported the Provincial Communication Finals with the topic, The Benefits of Locally Produced Food.



SOCIAL MEDIA STATISTICS

	2019	2020	2021	2022
 Reach	287	9723	10890	11678
 Reach	2942	3739	4496	7358
 Impressions	1050	2440	15540	15790
 impressions	15900	11700	19900	27552
 Views			153	67



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.

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 2022 which required media management.

BC Cranberries Website and Social Media Performance

Our social media increased over all categories from 2021 to 2022 with the exception of YouTube which was initiated in 2021. Website traffic increased 5%, our Facebook reach increased 7%, Instagram increased 39% and Twitter increased 28%. Pinterest increased 2% over this period. Some of the increase in Facebook and Instagram is from paid 2 boosted posts. We launched a LinkedIn page targeting researchers to encourage more researchers in the field and to share results of research projects.

WEBSITE PERFORMANCE 2022

Website traffic increased by 2.83% from 2021

Source	2018	2019	2020	2021	2022
Direct	1,692	1,507	1,631	1,902	1,998
Organic Search	1,633	1,680	1,900	2,060	1,450
Referral	656	248	613	676	1,097
Social	84	69	69	164	178
Other	0	2	0	1	5
Total	3,924	3,358	4,110	4,526	4,654

Governance

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 2022. 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. This report can be found on our website at:

<https://www.bccranberries.com/about-us/>

In 2022, the Election Policy was updated to include the addition of electronic voting as the default voting option, it developed a re-appointment process for the Commission’s independent members, added that nominees for election must be at least 19 years as well as updated some phrasing and formatting. The Policy was approved by the Farm Industry Review Board on November 30, 2022.

A Food Safety Program was developed for Grower Vendors under the direction of the Farm Industry Review Board. All cranberries sold through an agency are quality checked and participate in at least one food safety program. Grower Vendors market direct to the public and the new program provides assurance that cranberries sold direct to the public are at the same high quality and



safety as those sold to agencies. Compliance documents are filled in and reviewed by a third party food safety coordinator.

Directors, staff and growers are encouraged to participate in ongoing professional development through the Centre for Organizational Governance in Agriculture (COGA). 2022 Sessions included: Economic Update; SAWP & AgStream Update; Safety Culture & Why you Want it and/or Responsibility and Due Diligence; Effective Meetings – Part 1, 2; Agriculture & Banking; Psychosocial Hazards in the Workplace and Producers, Processors & Family Wellness.

Looking Ahead – 2023

In December 2022, Stephanie Nelson was appointed as the new BC Cranberry Commission Chair. Kalpna Solaki was appointed as the Chair of the BC Turkey Marketing Board. Stephanie has these words to share.



I have always admired producers, those who devote their lives to feeding people, and am bringing that perspective to the Cranberry Commission. I plan to share as I learn, and once I have been fully onboarded and can participate in some events and meetings, look forward to meeting producers and getting better acquainted with your needs and how I can support you.

Stephanie Nelson, MBA
Chair, BC Cranberry Marketing Commission

As of December 21, 2022, I am pleased to be appointed to the BC Cranberry Marketing Commission. I have 15 years of experience in agriculture, not including my childhood on a chicken farm.

As my day job, I am the BC Broiler Hatching Egg Commission Executive Director, overseeing the production activities of the BC Broiler Hatching Egg producers. As part of that role, I am heavily involved with various industry committees, including the Poultry Emergency Operations Team, that manages industry crises.

In May of 2021, I finished my Master’s in Business Administration, a challenge I attribute to my organizing skills. I live in west Abbotsford with my family.

I look forward to learning about the cranberry sector and gaining experience and perspective from the Chair.



I’m sure we all look forward to getting to know and work with Stephanie. In 2023, we will be doing an outreach with growers and will be exploring more ways to partner with the BC Cranberry Growers’ Association. We will solicit feedback from our growers on what programs, communications and events are working or not working and what new projects would be helpful.

We will also be finalizing our promotional videos and making our recipes searchable on the website. In terms of governance, we will be developing a new agency application process.

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

BC Cranberry Marketing Commission Financial Statements

Year Ended December 31, 2022

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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, 2022, 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, 2022, 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 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 9, 2023

CHARTERED PROFESSIONAL ACCOUNTANT

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 88,730	\$ 93,786
Term deposits (Note 3)	1,225,000	1,205,000
Accounts receivable	18,484	8,505
Prepaid expenses	-	2,500
	1,332,214	1,309,791
LONG TERM INVESTMENTS (Note 4.)	175,000	75,000
	\$ 1,507,214	\$ 1,384,791
 LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 4,500	\$ 4,200
Goods and services tax payable	1,352	2,300
	5,852	6,500
NET ASSETS	1,501,362	1,378,291
	\$ 1,507,214	\$ 1,384,791

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, 2022

	2022	2021
REVENUES		
Levies and licenses	\$ 341,110	\$ 338,076
Interest income	27,185	17,809
Domestic promotion income	-	3,330
Production Research Grant - IAF	-	4,235
Grower programs income	5,443	-
	<u>373,738</u>	<u>363,450</u>
EXPENSES		
Administration	99,783	93,508
Communications	7,847	11,113
Foreign exchange	(2,100)	196
Governance	36,581	35,140
Grants	4,000	3,100
Legal fees	4,578	2,987
Memberships	10,702	12,514
Professional fees	4,500	4,200
Special projects	-	14,189
Supplies and services	1,282	7,866
	<u>167,173</u>	<u>184,813</u>
Excess of revenues over expenses from operations	206,565	178,637
OTHER EXPENSES		
Development and production expenses (Note 5)	83,494	59,025
	<u>83,494</u>	<u>59,025</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 123,071	\$ 119,612

See notes to financial statements

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Changes in Net Assets
Year Ended December 31, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 1,378,291	\$ 1,258,679
Excess of revenue over expenses	<u>123,071</u>	<u>119,612</u>
NET ASSETS - END OF YEAR	<u>\$ 1,501,362</u>	<u>\$ 1,378,291</u>

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Statement of Cash Flows
Year Ended December 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	<u>\$ 123,071</u>	<u>\$ 119,612</u>
Changes in non-cash working capital:		
Accounts receivable	(9,979)	6,627
Accounts payable	300	(3,609)
Prepaid expenses	2,500	-
Goods and services tax payable	(948)	1,329
	<u>(8,127)</u>	<u>4,347</u>
Cash flow from operating activities	<u>114,944</u>	<u>123,959</u>
INVESTING ACTIVITIES		
Term deposits	(20,000)	1,987
Long term Investments	(100,000)	(75,000)
Cash flow used by investing activities	<u>(120,000)</u>	<u>(73,013)</u>
INCREASE (DECREASE) IN CASH FLOW	(5,056)	50,946
Cash - beginning of year	<u>93,786</u>	<u>42,840</u>
CASH - END OF YEAR	<u>\$ 88,730</u>	<u>\$ 93,786</u>

See notes to financial statements

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION

Notes to Financial Statements

Year Ended December 31, 2022

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
Notes to Financial Statements
Year Ended December 31, 2022

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>2022</u>	<u>2021</u>
Term deposits held	<u>\$ 1,225,000</u>	<u>\$ 1,205,000</u>

Short term and cashable term deposits are held by Envision Credit Union. The terms earn interest at 1.3% to 4.13% per annum, maturing from March 3, 2023 to September 11, 2023.

4. LONG TERM INVESTMENTS

Long term investments are non-redeemable term deposits held by Envision Credit Union. The term deposit of \$175,000 earns interest at 4.63% per annum, maturing December 12, 2024.

BRITISH COLUMBIA CRANBERRY MARKETING COMMISSION
Notes to Financial Statements
Year Ended December 31, 2022

5. DEVELOPMENT AND PRODUCTION EXPENSES

Development and production expenses

	2022	2021
Production research	\$ 58,013	\$ 49,701
Domestic market development	14,068	9,324
Food Safety Program	500	-
Field Day	10,913	-
	\$ 83,494	59,025

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, 2022

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 \$29,770 US (\$21,866 Canadian) Funds at December 31, 2021.

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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Growers	71	74	75	75	74	70	76	72	72	72	73
Acreage	6,435	6,374	6,556	6,297	6,382	6,411	6,483	6,483	6,541	6,566	6,539
Production (barrels)	927,586	1,012,786	1,003,998	631,045	1,347,753	858,941	1,007,684	988,803	837,538	941,277	944,051
Yield (barrels per acre)	189	221	174	100	211	134	155	153	128	143	144
Producer Vendors	7	7	7	6	5	5	6	6	6	7	8
Agencies	3	3	3	3	3	3	4	4	4	4	4

Quebec Cranberry Statistics

Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Growers	80	80	81	78	78	80	82	82	84	81	80
Acreage	11,471	10,777	10,682	10,145	9,965	9,828	9,504	9,247	8,516	7,657	7,070
Production (barrels)	3,160,000	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
Yield (barrels per acre)	293	227	216	252	252	163	290	226	283	212	262

US Cranberry Statistics

Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Acreage	NA	40,195	40,990	42,200	40,800	40,950	41,500	41,400	40,600	42,000	40,300
Production (barrels)	NA	6,704,058	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
Yield (barrels per acre)	NA	163	176	180	213	198	223	195	198	210	197

Photos courtesy of US Cranberry Marketing Commission

