

A functioning Health and Safety Program helps ensure workers and workplaces are safe from injury, illness and disease.

A SUCCESSFUL AUDIT RESULT IS REQUIRED 10% INCENTIVE REBATE ON YOUR ANNUAL PREMIUM

Controls

Annual incentive payments

VALID FOR ONLINE APPLICATION FORM

THREE YEARS

Consultants or Advisors work with you Like us on Facebook

Get COR Certified TRAINING

Industry specific Participation In The Program Is Voluntary return-to-work programs

Confidentiality

Free registration reduce injuries

Rebate is dependent on successfully completing the program audit

EFFECTIVE

rewarding

AgriSafe Culture

Large Employers (20 Or More Workers)

Audit tools for large and small employers

education #AGSAFETYCHAMP

Certificate of Recognition

Hazard Identification

resources

www.agsafebc.ca

HEALTH

QUALITY

ASSURANCE

OF EMPLOYERS

RECORDS AND

AUDITS

1-877-533-1789

LOCAL AGSAFE CONSULTANTS AND ADVISORS

NATURAL EXTENSION OF YOUR EXISTING HEALTH AND SAFETY PROGRAM.

INDUSTRY SPECIFIC AUDITOR

Small Employer (19 Or Less Workers)

Take the course online

PINPOINT THE GAPS IN YOUR CURRENT HEALTH AND SAFETY PROGRAM



Steps to COR

best-practices

- 1) Registration and GAP analysis
- 2) Program Enhancement
- 3) Certification

Rebate Calculator

SAFETY@AgSafeBC

FOLLOW US ON TWITTER

Assessments AgSafe is Agriculture's Certifying Partner

AgSafe 2016 Annual Report



## Mission Statement:

*FARSHA seeks to reduce the number of incidents on farms and ranches in British Columbia through an active program of education, training, and consultation in all regions of the province.*

## Board of Directors

AgSafe is overseen by a 7-person Board of Directors, providing knowledge, expertise and guidance to the management and staff team. The Board also oversees and monitors progress against the association's mandate.

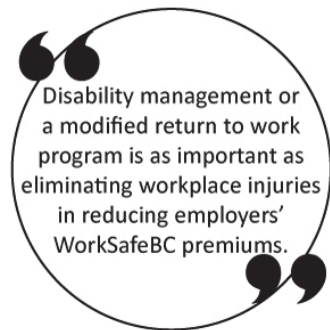


# Letter from the Board Chair

In 2016, the British Columbia government created a new *Societies Act* that requires societies to transition to new bylaws aligned with the requirements of the new Act. Since AgSafe was created as a non profit society under the former *Societies Act* in 1993, the Board reviewed and made adjustments to draft bylaws prepared by a legal firm. Prior to November 28, as required by the new Act, the board hosted an extraordinary general meeting to pass the new bylaws.

AgSafe is fortunate to have in Wendy Bennett an Executive Director who is a visionary and enthusiastic leader. She expertly guides the team of safety advisors and consultants who provide education and training to agricultural workers and employers. In addition, Wendy responds to the significant WorkSafeBC compliance issues that challenge employers. She acts as a liaison between employers and WorkSafeBC to find mutually acceptable solutions to complex compliance issues.

During 2016, AgSafe entered into an agreement with the National Institute of Disability Management and Research (NIDMAR) to train AgSafe safety advisors in the principles of effective disability management. The agreement also provides employers with access to an online self-assessment tool for their disability management programs and activities. Disability management or a modified return to work program is as important as eliminating workplace injuries in reducing employers' WorkSafeBC premiums.



When a worker is injured and becomes a WorkSafeBC claimant, medical, wage replacement, and rehabilitation costs accrue to the employer's account. If the worker remains on claim for a considerable period of time, the original employer may not have a job for them to return to; WorkSafeBC is then required by legislation to assist in finding work with another employer or, if that is not possible, to provide retraining for work in another industry sector. This exercise can be extremely costly. An employer who keeps in touch with the injured worker and the WorkSafeBC adjudicator—and offers modified, safe, early return to work—can significantly reduce related WorkSafeBC costs.

This practical approach to managing workplace disabilities reduces insurance premiums and ensures the financial, social, and mental well-being of valued employees. AgSafe safety advisors and consultants are now promoting modified return to work and helping employers create effective, cost-efficient programs.

**Ralph McGinn**  
Chair, Board of Governors

# Letter from the Executive Director

## *2016: #AgSafetyChamp Trends Online*

We successfully completed our rebranding program in 2016. FARSHA is now known as AgSafe to readily reflect the work we do for agriculture operations in the province of British Columbia.

The new brand was launched at the 2016 BC Agriculture Council Gala with a video and social media contest. The hashtag, #AgSafetyChamp, generated tremendous interest throughout the year as farmers shared safety tips with other farmers for chances to win a prize. Our online presence grew by 496% as the hashtag trended on Twitter and other social media platforms.

Throughout the year, we advertised in agricultural trade magazines to increase awareness of AgSafe's services to the industry, co-branding our ad placements with the AgSafe COR Certificate of Recognition logo. Congratulations to the 19 new recipients of COR certification and to the many who continue to improve their safety through the COR process.

We launched our new supervisor support program, which is now proving to be one of our most successful programs yet. Our field team members strongly support the role of the supervisor in agriculture operations. In keeping, we provide coaching and resources to ensure supervisors are aware of and successful in their role regarding worker health and safety.

Equipment safety remained a key focus in 2016 as we strive to reduce injuries due to tractor use. Safety awareness in this area continues to be one of our most frequently conducted awareness programs, reinforcing the understanding that tractors can be dangerous.

An independent firm conducted a market penetration study and we were gratified to learn we are well recognized by agriculture employers. In addition, those who have accessed AgSafe resources are pleased with the quality of our services. We continue, on a regular basis, to encourage employers to take advantage of our knowledge, training, and incentive programs.



While WorkSafeBC officers continued to inspect agriculture operations at the same rate as 2015, we are pleased to report that the number of orders decreased again in 2016. This is a very telling statistic proving that employers are doing what it takes to keep their workers and families safe.

Thank you to our Board of Directors for their support throughout the year. We remain committed to creating a safe work environment for British Columbia's agricultural industries.

A handwritten signature in blue ink, appearing to read "Wendy Bennett".

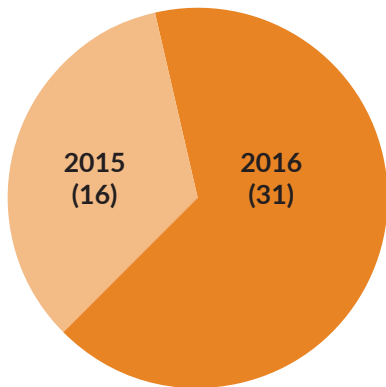
**Wendy Bennett, CRSP**  
Executive Director



# AgSafeMarketingStats/2016



## Traditional Media Stats



### 93.75%

Increase in media coverage compared to 2015.

### Published or Mentioned in:

- The Province
- Ottawa Citizen
- Western Producer
- Orchard & Vine
- BC Ministry of Agriculture
- PublicNow.com
- CRUSH Magazine
- Valley Voice News
- Caledonia Courier
- Williams Lake Tribune
- Langley Times
- Speaking of Safety
- OHS Canada
- Concrete Garden
- Horse Council of BC
- Barrier Star Journal
- AG Annex
- Vernon Morning Star
- BC AG Council
- Fraser Valley News
- OHS Insider
- COS Magazine

### 48.39%

Traditional Print Media (2016)

### 51.61%

Digital Media (2016)

## Social Media Stats



### Twitter:

Followers: **535**  
 Tweets: **276**  
 Re-Tweets: **207**  
 Link Clicks: **191**  
 Engagements: **1,265**  
 Impressions: **82,205**



### Facebook:

Page Likes: **281**  
 Posts: **254**  
 Shares: **122**  
 Comments: **11**  
 Reach: **612**

### 573.17%

Increase in posting content to Twitter compared to 2015

### 495.73%

Increase in Twitter impressions compared to 2015.

### 92.42%

Increase in posting content to Facebook compared to 2015.

### 86.09%

Increase in Facebook likes compared to 2015.

## #AgSafetyChamp

# The Dirt On AgSafe

## Media Trends in 2016

### #AgSafetyChamp Trends Online

The campaign to rebrand FARSHA as AgSafe continued to roll out in 2016.

To launch the campaign, the BC Agriculture Council and Agri-Food Industry Executive Director Wendy Bennett presented a video about safety tip examples with the assistance of Rainbird Bevo Farms, Crescent Stables, and the Bredenhoff family.

Wendy also announced a year-long social media contest with the BCAC, inviting farmers to "Tell Us Why You're the Champ" by sharing top safety tips and pictures on social media using the hashtag #AgSafetyChamp. Participants were randomly drawn to win \$50 gas cards and a nomination for 2016 BC Agriculture awards.

**496% increase in social media engagement**

The social media contest was supported by print advertising in agricultural trade magazines. The campaign generated an enthusiastic response on Twitter and Instagram with AgSafe documenting a 496% increase in social media engagement. Wendy presented the Champion of Agriculture Safety 2016 grand prize to brothers Joe and Andy Bachmann of Pitt Meadows in January 2017.



Wendy presented the Champion of Agriculture Safety 2016 Grand Prize to brothers Joe and Andy Bachmann of Pitt Meadows in January 2017.

### Excerpt from The Valley Voice

By Lennea Durant  
March 15, 2016

**"I just never want to have to explain to somebody's loved one how they got hurt or killed on my farm, I want everyone to go home safe," says Joe Bachmann**

**"I just never want to have to explain to somebody's loved one how they got hurt or killed on my farm, I want everyone to go home safe," says Joe Bachmann**

This also applies to any work on the premises that is not related to the daily operations of the farm. When custom work needs to be done, they make sure to take time to have a safety meeting with every worker and contractor.

**"AgSafe. New Name. New Look. Same Service."**

### AgSafe Brand Rolls Out

To solidify awareness of the advertisements were purchased in major agricultural trade publications featuring the tagline:

**"AgSafe. New Name. New Look. Same Service."**

AgSafe continued to promote tractor

### AgSafe Makes News in 2016

Several leading industry trade publications interviewed Executive Director Wendy Bennett about AgSafe and its safety and health initiatives. The January 2016 issue of The Western Producer featured an interview with Wendy about how AgSafe helps

**"Tragedy does not have to be part of your business. Ensuring everyone who operates the tractor is aware of and wears the seatbelt and ensures the ROPS bar is utilized means that roll-over, while it may still happen, should not result in death or serious injury." — Wendy Bennett in Crush**

2016 issue) on tractor safety titled, "Prevent the most common cause of death in agriculture" in which she promoted the use of seatbelts and ROPS in vineyards.

**"Tragedy does not have to be part**

AgSafe's long-serving Safety Consultant Reg Steward is a regular contributor to Beef in BC magazine writing about safety issues facing members of the B.C. Cattlemen's Association.

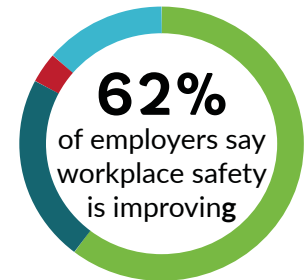
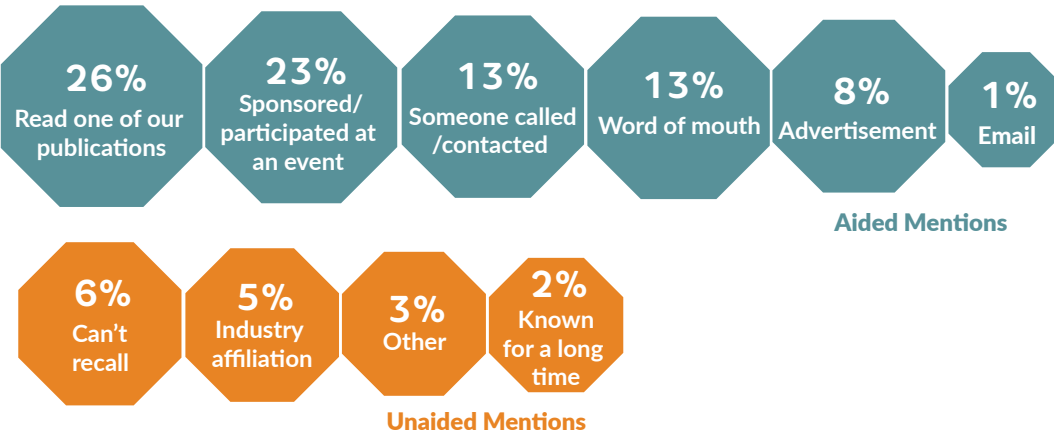


Supplementing her field operations, Reg Steward again wrote an excellent series of articles for Beef in BC magazine, published by the B.C. Cattlemen's Association. Topics included: hearing loss, understanding how to work with AgSafe, the importance of safety talks, a "Stop, Think, Act" plasticized wallet-sized safety tool, and "Making safety part of the way you do business."

# Market Penetration Survey Report

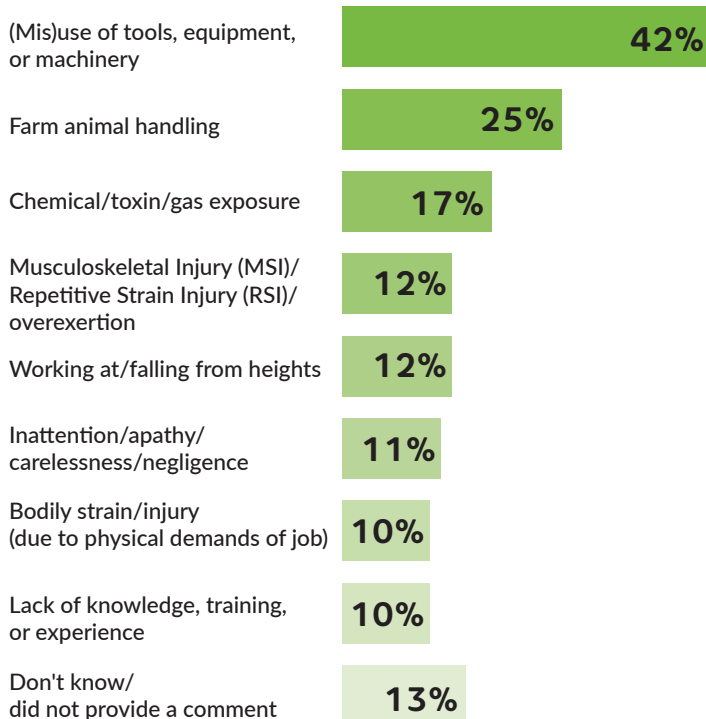


## Original Source of Awareness

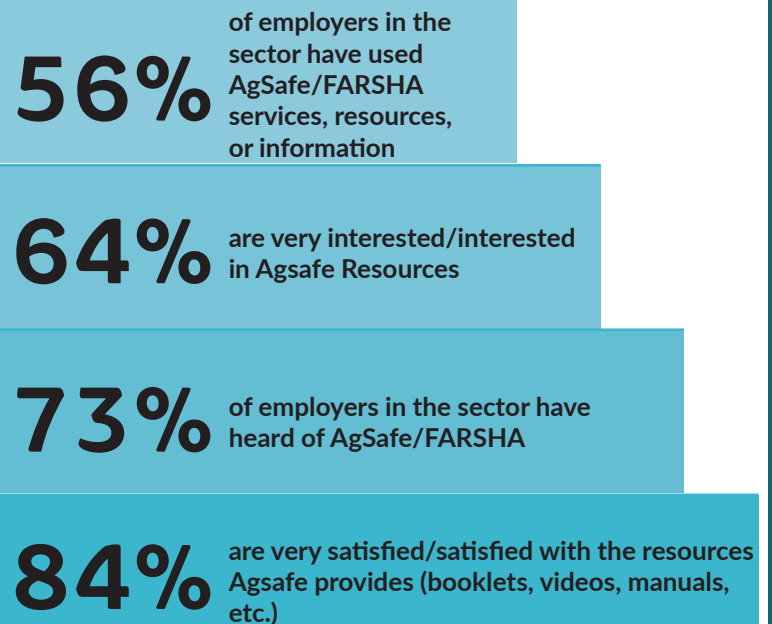


Improving (62%)  
 Staying the same (24%)  
 Getting worse (2%)  
 Don't know (12%)

## Main Health and Safety Risks in Agriculture



## Awareness, Satisfaction and Interest



# Working in Partnership

AgSafe developed, implemented and followed up on several key areas of concern in BC agriculture, in conjunction with WorkSafeBC and other agricultural industry partners.



## AgSafe represented on CASA board

AgSafe's Wendy Bennett is chair of the Canadian Agricultural Safety Association (CASA) board of directors. Serving her second year on the board in 2016, she has promised, "I will bring two decades of experience in occupational health and safety to the table, working with the board and other CASA partners to continue to make safety a priority on farms and ranches across Canada."



## Co-sponsorship with the BCAC

AgSafe was the major sponsor in 2016 of the BCAC annual Agri-Food Industry Gala. Together, AgSafe and the BCAC sponsored the successful #AgSafetyChamp social media contest with the grand prize winner honoured as the council's 2016 Champion of Agriculture Safety.



## Agreement with NIDMAR

AgSafe signed a Memorandum of Understanding with the National Institute of Disability Management and Research (NIDMAR) to equip BC's farms and ranches with a tool to assess their own disability management programs and activities. The Disability Management Self Assessment tool, or DMSA, is designed to allow organizations to undertake a basic self-assessment of their existing return to work and disability management efforts, and obtain a report that provides an overview of their performance.

Wendy Bennett was enthusiastic about the agreement: "We'll be training everyone on our team, preparing them to get the message out, so employers understand their role and the opportunities to engage with injured workers to minimize time loss due to injury. We'll help employers put the pieces together to create an action plan that both accommodates the worker safely and reduces their own costs."



## PCU-WHS Education Modules

AgSafe and Pacific Coast University for Workplace Health Sciences (PCU-WHS) signed an agreement to provide "train-the-trainer" educational modules to agricultural field officers at a discount. AgSafe field staff — including safety advisors in the Lower Mainland and regional safety consultants around the province — will be encouraged to take continuing education modules that are part of the university's Disability Management Practitioner Certificate Program.



# AgSafe in the Field

## Regional Safety Consultants

Mike Burzek - Peace River  
Carol Reid - Okanagan  
Ken Lacroix - Vancouver Island  
Kevin Paterson - Kootenays  
Reg Steward - Cariboo  
Chad Stewart - North Okanagan  
Trevor Tapp - Central Interior

## Central Interior

Focused on training and support for tree nurseries.  
New practices and training implemented in daily routines at nurseries.

## Peace River

Several producers successfully implemented safety programs.  
Grain producer with 11 WorkSafeBC compliance orders worked with AgSafe, to fully implement a safety program.  
Provided assistance with a cultural shift at a large nursery/greenhouse operation whose owners have indicated they will pursue COR.

## Cariboo

Strong focus on Safe Animal Handling.  
Improved documentation of safe cattle handling.  
Increase in number of ranches with a designated health and safety person.

## North Okanagan

Region created in 2015.  
Built positive relationships with Kamloops-Okanagan Dairymen's Association (KODA) and North Okanagan Dairy Extension Advisory Committee (NODEAC).  
Began working with 6 dairy farms, and collaborating with the safety officer of a large ranch to help transform their approach to safety.

## Vancouver Island

Continued to focus on supporting all agricultural commodities.

## Kootenays

Positive responses from unannounced visits to farms.  
Producers excited to show off their new safety innovations.  
Tractor safety sessions conducted on farms.  
AgSafe's "Partners in Safety" put into practice.

## Lower Mainland

Helped coordinate an engineering project about elevating carts in the greenhouse sector.  
Helped an organic farmer create positive changes in safety procedures leading to them to COR certification.  
AgSafe helped raise awareness for the dangers of Hydrogen Sulfide (H<sub>2</sub>S) in BC's Dairy sector.  
Assisted a vegetable farmer dealing with a farm fatality.  
Confined space awareness has increased and is being identified with suitable signage.  
2016 saw the first dairy farm in BC become COR certified.

## Okanagan

Orchard ladder safety focused on training crew leaders to demonstrate ladder safety.  
Focused on supervisor training to reduce MSI injuries in tree nurseries.

## Safety Advisors - Lower Mainland

TJ Garcha  
Emily Kerr  
David Nguyen  
Tadhg O'Leary

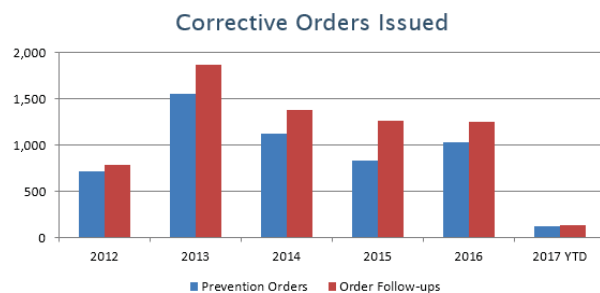
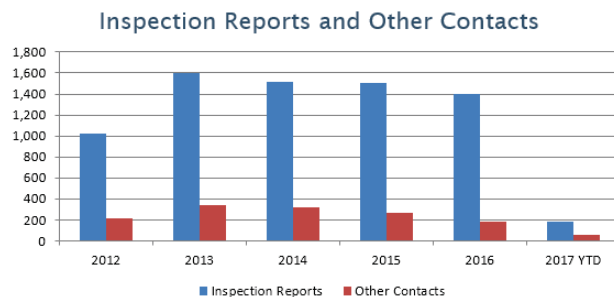
# Injury Rate for 7010 Agriculture Subsector

The following chart illustrates how many claims and serious injury claims an industry has for every 100 workers, and the change in this rate over the most recent five-year period. Industries with a higher rate are considered more risky, while industries with a lower rate are considered less risky. The ultimate target is to have an injury rate of zero. This chart compares the rates for the Agricultural Subsector to the rates for all of B.C.



Measure	2012	2013	2014	2015	2016	2017 YTD
Injury Rate - Selection	2.6	2.6	2.6	2.7		
Injury Rate - All of B.C.	2.3	2.3	2.3	2.2		
Serious Injury Rate - Selection	0.5	0.6	0.6	0.7		
Serious Injury Rate - All of B.C.	0.3	0.3	0.3	0.3		
# Time-loss Claims	530	536	535	570	541	68
# Serious Injury Claims	110	120	130	141	123	5
% Serious Injury Claims	21 %	22 %	24 %	25 %	23 %	7 %
# Person Years	20,662	20,439	20,822	21,296		

## WorkSafeBC Prevention Activity Statistics



# COR Leaders in Safety

WorkSafeBC recognizes and rewards employers who implement effective management systems in occupational health and safety. AgSafe is the Certificate of Recognition (COR) certifying body for primary agriculture in BC. Considerable strides were made in 2016 with 19 new employers being awarded COR standing.

The COR program is promoted by the AgSafe team who travel throughout the province providing COR information, in conjunction with their visits to BC's farms and ranches. A COR video is available on the AgSafe website and for presentation at association meetings. Self-assessing small and large employer COR audit tools are also available on the AgSafe website. The tools allow employers to pinpoint gaps in their health and safety programs, as part of the process of pursuing COR certification.

## 2016 COR Recipients

Congratulations to the following employers who received the Certificate of Recognition following successful completion of the Occupational Health and Safety audit. These COR-certified leaders in agricultural health and safety are now eligible for WSBC incentive payments of 10 percent.



## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
**Farm and Ranch Safety and Health Association**

We have audited the accompanying financial statements of Farm and Ranch Safety and Health Association, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT, continued

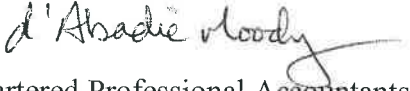
### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Farm and Ranch Safety and Health Association as at December 31, 2016, 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.

### *Report on Other Legal and Regulatory Requirements*

As required by the Societies Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Langley, British Columbia  
April 5, 2017

  
Chartered Professional Accountants

**FARM AND RANCH SAFETY AND HEALTH ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2016

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current		
Cash and cash equivalents	\$ 528,106	\$ 354,560
GST refundable and other receivables	18,519	23,169
Prepaid expenses	<u>9,392</u>	<u>9,926</u>
	556,017	387,655
Capital assets (Note 3)	<u>47,476</u>	<u>55,595</u>
	<u>\$ 603,493</u>	<u>\$ 443,250</u>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	\$ 27,549	\$ 23,259
Payroll remittances payable	10,470	10,445
Salaries payable	<u>6,367</u>	<u>3,954</u>
	44,386	37,658
Deferred revenue (Note 4)	<u>44,917</u>	<u>24,500</u>
	89,303	62,158
<b>NET ASSETS</b>		
BALANCE	<u>514,190</u>	<u>381,092</u>
	<u>\$ 603,493</u>	<u>\$ 443,250</u>

Approved by the board

  
\_\_\_\_\_  
RALPH MCGINN Chairman

  
\_\_\_\_\_  
Director

See accompanying notes to the financial statements

**FARM AND RANCH SAFETY AND HEALTH ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
Year ended December 31, 2016

	2016	2015
<b>REVENUES</b>		
WorkSafeBC operating grants	\$ 1,268,150	\$ 1,200,000
CASA grants	10,612	-
Program recovery and membership fees	23,496	23,656
	<u>1,302,258</u>	<u>1,223,656</u>
<b>EXPENDITURES</b>		
Accounting and legal fees	6,381	6,891
Advertising and sponsorships	35,465	46,232
Amortization	18,024	38,809
Benefits	55,819	38,468
Board expenses	30,036	25,022
Building repairs and maintenance	2,511	3,427
Conference registration & meeting expenses	20,016	19,834
Consultants & Contractors	309,148	254,021
Furniture & Equipment	3,533	2,197
Miscellaneous programs	9,566	10,815
Office Supplies	6,800	7,406
Insurance	9,454	8,633
Publication & materials	31,687	67,938
Rent and occupancy costs	44,891	54,501
Staff training	28,087	16,282
Technology	18,090	27,009
Telecommunications & freight	12,745	17,890
Travel	118,543	109,761
Wages	464,809	381,816
	<u>1,225,605</u>	<u>1,136,952</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS</b>	<b>76,653</b>	<b>86,704</b>
COR Operations (Schedule 1)	50,903	(1,644)
Interest	5,542	5,308
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 133,098</b>	<b>\$ 90,368</b>

See accompanying notes to the financial statements

# FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

## STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31, 2016

	BALANCE, beginning of year	Other Adjustments	Income Allocation	Asset Purchases	WSBC Allocation	Amortization Allocation	Excess of revenues over expenditures	2016 BALANCE, end of year
Unrestricted HSA Reserve Funds	\$ 99,609	\$ -	\$ (104,060)	\$ 9,903	\$ 23,656	\$ (18,024)	\$ 133,098	\$ 144,182
COR Reserve Funds	237,101	-	53,157	(5,868)	(23,656)	18,024	-	278,758
	44,382	-	50,903	(4,035)	-	-	-	91,250
	<b>\$ 381,092</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,098</b>	<b>\$ 514,190</b>
	BALANCE, beginning of year	Other Adjustments	Income Allocation	Asset Purchases	Amortization Allocation	Excess of revenues over expenditures	2015 BALANCE, end of year	
Unrestricted HSA Reserve Funds	\$ 59,804	\$ -	\$ (85,060)	\$ 73,306	\$ (38,809)	\$ 90,368	\$ 99,609	
COR Reserve Funds	167,559	-	86,704	(55,971)	38,809	-	237,101	
	63,361	-	(1,644)	(17,335)	-	-	44,382	
	<b>\$ 290,724</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 90,368</b>	<b>\$ 381,092</b>	

See accompanying notes to the financial statements





**FARM AND RANCH SAFETY AND HEALTH ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
Year ended December 31, 2016

	<u>2016</u>	<u>2015</u>
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 133,098	\$ 90,368
Item not affecting cash		
Amortization	<u>18,024</u>	<u>38,809</u>
	<b>151,122</b>	129,177
Change in non-cash working capital items		
GST refundable and other receivables	4,650	(7,240)
Prepaid expenses	534	(3,109)
Accounts payable and accrued liabilities	4,290	(10,081)
Payroll remittances payable	25	-
Salaries payable	<u>2,413</u>	<u>-</u>
	<b>163,034</b>	108,747
<b>FINANCING ACTIVITY</b>		
Deferred revenue	20,417	24,500
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<u>(9,905)</u>	<u>(73,306)</u>
<b>INCREASE IN CASH</b>	<b>173,546</b>	59,941
<b>CASH, beginning of year</b>	<u>354,560</u>	<u>294,619</u>
<b>CASH, end of year</b>	<u>\$ 528,106</u>	<u>\$ 354,560</u>

See accompanying notes to the financial statements

# FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

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### 1. Nature of operations

Farm and Ranch Safety and Health Association was formed under the Societies Act of British Columbia and operates to ensure high standards of occupational health and safety in the agricultural industry by fostering compliance with Workers' Compensation Board regulations and to support overall farm safety.

### 2. Significant accounting policies

The Association applies the Canadian accounting standards for not-for-profit enterprises.

#### (a) Cash equivalents

The Association considers all investments with maturities of three months or less and demand bank loans that are utilized periodically for day to day operations to be cash equivalents.

#### (b) Capital assets

Capital assets are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Test equipment	30 years
Furniture and fixtures	20 years
Computer equipment	3 years
Computer software	1 year

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

#### (c) Impairment of long-lived assets

The Association tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

# FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

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### 2. Significant accounting policies, continued

#### (d) 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Externally restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

#### (e) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include public service bodies rebate, useful lives for amortization of capital assets, and allocation of administration expenses between programs. Actual results could differ from those estimates.

#### (f) Financial instruments

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the Association is not exposed to significant interest, currency or credit risks and the fair values of these instruments approximate their carrying value.

**FARM AND RANCH SAFETY AND HEALTH ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 December 31, 2016

**3. Capital assets**

			2016			2015
	Cost	Accumulated amortization	Net Book Value			Net Book Value
Test equipment	\$ 18,070	\$ 12,420	\$ 5,650	\$		8,072
Furniture and fixtures	81,220	62,776	18,444			11,912
Leasehold improvements	46,764	23,382	23,382			35,073
Computer equipment	59,620	59,620	-			538
Computer software	22,568	22,568	-			-
	<b>\$ 228,242</b>	<b>\$ 180,766</b>	<b>\$ 47,476</b>	<b>\$</b>		<b>55,595</b>

**4. Deferred revenue**

			2016			2015
Canadian Agricultural Safety Association			\$ 13,888	\$		24,500
WorkSafeBC funding received in advanced - COR			31,029			-
			<b>\$ 44,917</b>	<b>\$</b>		<b>24,500</b>

Grant in the amount of \$35,000 from Canadian Agricultural Safety Association is to be expended before February 28, 2017 for the purpose of safety training relating to tractors and farm machinery for designated regions per the agreement.

**5. Commitments**

As at December 31, 2016, the Association has outstanding lease commitments with respect to the office premise and equipment as follows:

2017	\$ 46,478
2018	46,478
2019	723
2020	301
	<b>\$ 93,980</b>

# FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

### 6. Reserve Funds

The WorkSafeBC Board allows the Association to retain operating surpluses equivalent to three months of the WorkSafeBC contract funding amount as reserve funds. The use of such reserve funds are limited to: 1) bridge financing purposes and 2) unforeseen and time sensitive expenses in excess of total approved funding received.

### 7. Economic dependence

The Association generated approximately 98.0% (2015 - 98.4%) of its revenue from WorkSafeBC through its levies and assessments of the farming industry. WorkSafeBC also approves the Association's annual budget.

### 8. Income taxes

The Association is a not-for-profit organization that is exempt from income taxes pursuant to subsection 149(1) of the Income Tax Act.

### 9. Disclosure of Remuneration as required under the British Columbia Societies Act

	<u>2016</u>
Chair	\$ 6,400
Director	1,800
Director	1,500
Director	600
Director	2,100
Director	2,400
Director	600
Director	3,100
Director	<u>1,200</u>
Total fees paid for director services	<u>19,700</u>
Total remuneration paid to employees or contractors for services over \$75,000	<u>329,315</u>
	<u>\$ 349,015</u>

# FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

## SCHEDULE TO THE FINANCIAL STATEMENTS

Year ended December 31, 2016

### Schedule of COR Revenue and Expenditures

Schedule 1

	2016	2015
WorkSafeBC COR grant	\$ 333,971	\$ 293,041
Other revenue	-	716
Accounting & legal	(2,127)	(2,297)
Advertising and sponsorships	(28,337)	(31,626)
Benefits	(10,712)	(7,748)
Board Expenses	(6,198)	(4,758)
Building maintenance and repairs	(1,404)	(706)
Conference registration and meeting expenses	(6,160)	(4,246)
Consultants & contractors	(27,145)	(9,290)
Furniture and equipment	(1,572)	(514)
Office supplies	(2,051)	(1,934)
Insurance	(4,862)	(2,349)
Publication and materials	(48,025)	(59,721)
Rent and occupancy	(24,144)	(10,376)
Staff training	(8,201)	(4,346)
Technology	(9,723)	(6,965)
Telephone and freight	(4,803)	(2,827)
Travel	(9,501)	(7,379)
Wages	(88,103)	(138,319)
	\$ 50,903	\$ (1,644)

No amortization is allocated to the COR program as capital expenditures are adjusted by WorkSafeBC in determining the annual surplus or deficit relating to the COR program.



Thank you to all of our hard working and dedicated Safety Advisors and Consultants.

Special thanks to Kathy Eccles for all her help with our annual reports.



# #AgSafetyChamp

## AgSafe (Formerly FARSHA) 2016 Annual Report

This 2016 annual report, and those from previous years, are available online at [www.agsafebc.ca](http://www.agsafebc.ca).



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**AgriSafe**Culture