

2019 Annual Report

AgSafe



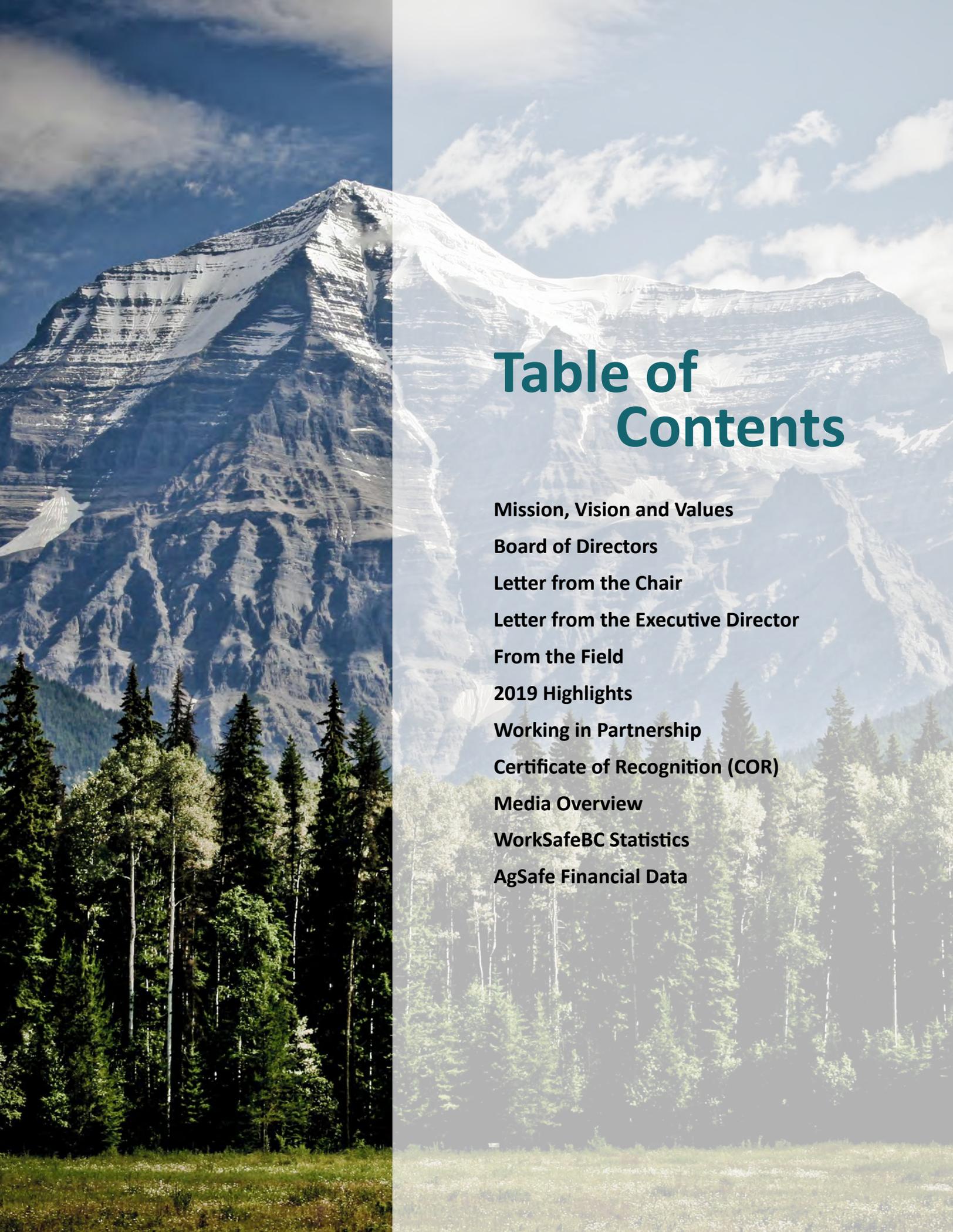


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MISSION

AgSafe strives to create a safe and healthy work environment in B.C. agriculture through outreach and an active program of education, training and consultation in all regions of the province.

VISION

Agriculture in B.C. free from workplace injury, illness and death.

VALUES

Leadership in health and safety to support the success and sustainability of agriculture.



Board of Directors

The AgSafe Board of Directors is comprised of B.C. Agriculture Council employer representatives, Canadian Farmworkers' Union worker representatives, and a non-affiliated chairperson.

Board members provide knowledge, expertise, and guidance to the Executive Director and oversee progress of the organization's mandate.

VOTING MEMBERS

Don Dahr
Board Chair

BCAC

Mike Duncan

Larry Rast

Erin Schlacht *(Outgoing November 2019)*

Eric Bomhof *(Incoming November 2019)*

CFU

Nina Hansen

Charan Gill

Bhupinder Sidhu

Letter from the Chair

This has been a year of change for the AgSafe B.C. Board of Directors with regard to functionality, accountability and representation.

At the Annual General Meeting, the membership motioned that an external review process be undertaken to evaluate the Board's representation and performance. A review would provide insight and foresight regarding clarity of expectations, accountability and effectiveness of the Board.

Kyle Pearce of think: act consulting was hired to do the review process, diligently interviewing internal and external parties involved with AgSafe. Under review are chair leadership, board dynamics and structure, reporting, and a review of the association's bylaws and director guidelines.

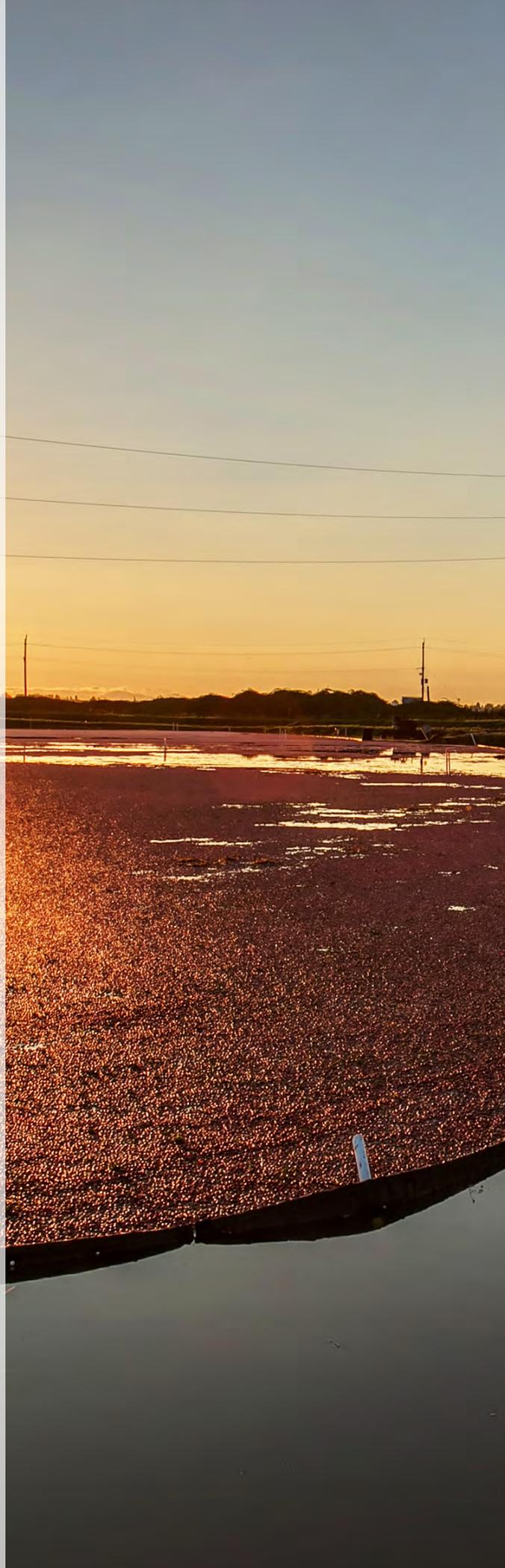
Ongoing review of our Board and governance is important and needed. However, I do not want that to take attention away from the very positive activities our operations group, headed by AgSafe Executive Director, Wendy Bennett address daily.

Key initiatives being addressed by our competent field team and office staff are Youth in Agriculture, Migrant Workforce, Injury Management, Stakeholder Engagement and Mental Health.

Our Certificate of Recognition (COR) program has been slow to catch on over the years. Now through hard work AgSafe is realizing very positive growth with more employers signing on.

I would like to conclude by acknowledging the positive partnership that exists between the governance role of the Board Chair and the management role of the AgSafe Executive Director.

Don Dahr
Chair, AgSafe Board of Directors





Letter from the Executive Director

I would like to dedicate this report to Carolyn Pearce who retired in May after almost 20 years with this organization.

Carolyn's loyalty to AgSafe and the people she worked with went beyond the workday. She took care of the needs of our Board of Directors. She supported our field staff members in every aspect with their reports, expenses and materials. She proofread every word that was published on behalf of the organization, and she negotiated with vendors to ensure we always got the best non-profit deal available.

But most of all, Carolyn kept her door open. Whenever a new idea materialized and I needed to share it with someone who would give me an honest opinion, it was Carolyn. Her ability to see things from many viewpoints helped us all to look at everything with various perspectives – so Carolyn.....Thank you!

2019 was a banner year for our COR program. We began to see momentum with this exciting program as employers started asking to participate before our field team had a chance to make the suggestion.

We have a great team and our staff grew again this year with a new advisor, Barb Friesen. With a focus in the Fraser Valley, Barb brings significant experience in health and safety in a variety of settings.

We continue to see great support from employers in all areas of B.C. and from WorkSafeBC, who refer and recommend employers in search of safer workplaces for all to connect with us.

Child safety is vital in agricultural workplaces. We were very pleased to partner with other local safety organizations for our 2019 safety day dedicated specifically for children through the Progressive Ag Foundation – it was both fun and educational for all participants.

We reached approximately 12,000 workers in 2019! The AgSafe team is making a difference every day in the lives of individuals working in agriculture throughout B.C. . . . now and in the future.

Thank you for your continued support!

Wendy Bennett
Executive Director

From The Field

Superintendent of Field Operations

Reg Steward: *Cariboo Region*

The engagement of several major ranches has been very encouraging. The understanding that safety is a pillar of the holistic wellness of a ranch or farm is becoming a reality. Seeing uptake in the understanding that safety is not another thing you do but part of everything you do, how you do business, is awesome! This progressive thinking helps gain and retain workers and family members by creating a place people want to be. Additionally, years of advancing the understanding and concept of low stress cattle handling is now being augmented by opportunities to speak about and discuss low stress people handling. Excited for the future of this initiative!

Emily Kerr: *Lower Mainland*

I feel very grateful to have been given the opportunity to work with my producers on some industry specific challenges. It's also been a pleasure to continue my work with local universities.

Mike Burzek: *Peace Region*

Producers in northern B.C. have faced several unique challenges but are still working hard to maintain a focus on workplace safety. The most notable improvement is in the area of equipment inspections; the inspection booklets published by AgSafe have been well received and consistently used. Producers have also requested more tractor safety awareness workshops, especially for the 16-24 year demographic.

Braulio Mariscal: *Lower Mainland*

Three cranberry companies achieved COR in 2019, which were the first berry companies in doing so. AgSafe developed and implemented CO ECPs in vegetable greenhouses.

Chad Stewart: *North Okanagan*

Overall, I feel like a valued resource for producers in the North Okanagan. Trust has been established and it shows in the number of people that contact me on a daily basis. I am now being consulted before producers purchase equipment/machinery to ensure it will be WSBC compliant. Producers are calling as soon as someone is injured to initiate a RTW/RAW program. I'm being included in the planning phase for construction projects to iron out prime vs contractor responsibilities. Producers are being much more proactive and less reactive. Word of mouth is helping to build awareness about AgSafe and the work I do.

Barb Friesen: *Lower Mainland*

Making contact with members in the Fraser Valley to introduce myself and AgSafe, and letting them know about the resources we offer. This initiative has been very well received! Making a positive impact in the mushroom industry helping them develop safety programs and procedures. COR Registered!





Melissa Lacroix: *Vancouver Island*

Providing exceptional services to our members by working together to build healthier tomorrows. To be a leader in agricultural safety, promoting a positive cultural change to mentor, motivate and inspire others. I feel truly blessed for the opportunity to partner with industry and perform meaningful work that positively impacts our members.

Kyle Hart: *Central Okanagan*

A lot of my work has been getting my foot in the door. Although I worked on some specific safety initiatives like ladders, tractors, and pesticides, it felt like more of an introduction year. I opted for a, "How are you? I'm Kyle tell me about your operations. This is how I can help. See you again." I feel I'm in a better position to dig deeper next year.

Senior Safety Advisor

TJ Garcha: *Lower Mainland*

Providing quick response when an employer needs immediate help with orders and fast approaching deadlines. Focussing on behavior change, motivating employers to make changes in how they look at safety in terms of integration vs a band-aid approach. Empowering employers to take ownership of their safety program - we are a resource and do not want to do too much for them or make them too reliant on AgSafe as a problem solver.

Trevor Tapp: *Central Interior*

The AgSafe name and knowledge continues to grow and spread throughout B.C.'s Central Interior. New producers are being welcomed every year, and old members are being observed operating in a safe and productive manner.

Ron Maciborski: *South Okanagan and Kootnays*

Okanagan South: Proven to be a high-demand region with employers well aware of, and using AgSafe's broad range of consulting services frequently and repeatedly. Spanish language resources and training with translators is highly sought after, and dominates service requests throughout the spring and early summer.

Kootenay Region: A growth area with a steady increase in awareness along with continuous growth in AgSafe services demands in ranching, orchards and nurseries. Growth in the cannabis industry is creating a host of new service demands and challenges with growers reaching out to request our services. The region is large and diverse and has opened up untapped service opportunities.

Tadhg O'Leary: *Lower Mainland*

2019 was a great year for AgSafe in Lower Mainland B.C. We continue to welcome active engagement with our new Cannabis producing members. Our existing members in the lower mainland continue to strive to enhance worker safety on our farms. We developed new resources for safeguarding education and carbon monoxide exposure control in agriculture.

2019 Highlights

RETURN TO WORK RESOURCES



New Return to Work (RTW) resources were added to the website at the beginning of the year. Supporting the online RTW resources as AgSafe's "Ask the Expert" is Occupational Health professional, Lesley Maisey.

Lesley joined AgSafe Consultants and Advisors meeting with 17 producers in dairy, landscaping, silviculture, ornamental nursery, and mushroom farming.

For those with RTW programs in place, she reviewed documents and provided feedback to improve the process. For those without a formal program, she provided education about the importance of having one in place before an injury happened.

Silviculture is most engaged. Meetings are positively received - gaining attention of other PRT sites and providing opportunities to discuss how AgSafe resources can be utilized to assist with programs and reducing costs associated with claims.

BULLYING & HARASSMENT

To help employers and workers address bullying and harassment issue AgSafe produced an informational video titled, "What is Bullying and Harassment". The short video, available in English and Spanish languages, explains what behaviours indicate bullying or harassment is occurring, how to address the situation and what actions are reasonable workplace communication and management protocols and not bullying or harassment.



CHILD SAFETY DAY – CHILLIWACK



Progressive Agriculture Safety Days is an international program providing education, training and resources to make farm, ranch and rural life safer for children and their communities. In June AgSafe held a Progressive Agriculture Safety Day for 140 grade four and five students at Sardis Elementary School in Chilliwack.

Response from stakeholders and event partners was very positive. The school Principal and Parent Advisory Committee (PAC) were heavily involved with the event. Activity stations were customized

to reflect issues important to the Sardis Elementary School community. Thank you to Operation Lifesaver, Waterwise Team and Recreation Excellence Chilliwack, BC Hydro, BC One Call and Fortis BC, BC SPCA, and Advantage Fleet Services.

BEEF CATTLE HANDLING FACILITIES RESOURCES

Launched in the summer, the Beef Cattle Handling Facilities video and online Evaluation Tool is another great partnership initiative with the Canadian Agricultural Safety Association (CASA). The video resource encourages consideration about facility design and maintenance practices. The CASA online Facility Evaluation tool is intended to help producers decide what improvements could be made to enhance a handling system that is in place. These resources are supported by a Beef Cattle - Facility Inspection Guide and Log available on AgSafeBC.ca

This year AgSafe Safety Consultants and Advisors, and office reached approximately 12,000 agricultural workers. The outreach and work our team is doing is significant.

TEAM CHANGES

Happy Retirement

Carolyn Pearce:

Office Manager

In March we wished Carolyn a happy retirement. Carolyn had been with AgSafe for over 15 years and was instrumental in helping the organization grow and flourish. In 2018 Carolyn spearheaded AgSafe's 25th Anniversary celebrations.

Ken Lacroix:

Regional Safety Consultant for Vancouver Island

After 19 years with the organization Ken formally retired from AgSafe, handing the reigns to the Vancouver Island region over to his daughter and AgSafe Safety Consultant Melissa Lacroix. The recipient of several national health and safety awards, Ken has been a great asset to AgSafe and B.C.'s agriculture industry. We wish him well.

Welcome to AgSafe

Barb Friesen:

Safety Advisor for Fraser Valley

Barb joined the AgSafe team in the spring and brings an extensive professional health and safety background from her work in construction, forestry, waste and recycling, and manufacturing. A graduate of the BCIT Health & Safety Certificate program with distinction, Barb is working toward her CRSP. Barb believes that people are our biggest asset in business and is excited to be working with agriculture employers and workers.

Ruman Sandhu:

Accountant

Ruman is a Certified Professional Accountant and joined the AgSafe team in the spring. Ruman has over 15 years of accounting and business experience and has worked in various industries including construction, real estate, property management, restaurant, insurance and even agriculture. Ruman grew up on a berry farm in the Fraser Valley and understands firsthand the importance of safety in agriculture. She looks forward to utilizing her education and experience at AgSafe.

Working in Partnership

This year AgSafe supported or participated in agriculture safety initiatives with the following safety organizations.

Progressive Agriculture

AgSafe held a Progressive Agriculture Safety Day at Sardis Elementary School in Chilliwack.

B.C. Cattlemen's Association

Reg Steward, AgSafe Provincial Ranching Safety Consultant – Cariboo Region, Superintendent of Field Operations participated in the organization's "Coffee Shop Talks" webinar series that discussed various topics. In discussing mental health, Reg Steward and clinical counsellor Robin Collins explained easy and effective ways to help producers with their mental health concerns.

Canadian Agricultural Safety Association (CASA) Board of Directors

Wendy Bennett, AgSafe Executive Director, retired as Board Chair of CASA. Wendy continues to sit on the CASA Board and support the organization's initiatives.

International Society for Agricultural Safety & Health (ISASH) Board of Directors

Wendy Bennett, AgSafe Executive Director, was nominated to the ISASH Board of Directors for a three year term. ISASH is a non-profit organization dedicated to the professional development of agricultural safety and health professionals, and leads the international agricultural community in prevention initiatives for agricultural injury and illness.

BCAC Industry Gala

AgSafe was a sponsor of the 2019 B.C. Agriculture Council Agri-Food Industry Gala.

Agreement with NIDMAR

AgSafe continues to support the National Institute of Disability Management and Research (NIDMAR) by providing B.C.'s farms and ranches with a tool to assess their own disability management programs and activities.



Media Overview

Articles

2019 was another good media year, AgSafe was referenced in 70 articles.



CRUSH:

AgSafeBC adds Return to Work resources to website

"A thorough Return to Work (RTW) program will help both employer and worker manage the RTW process and result in positive outcomes in a timely manner."



HortiDaily:

Sea to Sky Soils earns AgSafe safety Certificate of Recognition

"The program now provides Sea to Sky Soils with the ability to consistently manage, monitor and improve our workplace safety."

Web and Social Media

AgSafe actively tracks use of the AgSafeBC.ca and COR Safety Ready websites, as well as engagement with our Facebook, Twitter, Instagram accounts and Dirt on Ag content. Overall engagement across all digital and social media platforms continues to increase.

Channels

- AgSafeBC.ca:** From mid-April to mid-June Google Analytics, our digital data source, was unable to accurately track website traffic. As a result the final 2019 metrics are falsely skewed suggesting no significant increase from 2018
 - Top 3 Pages Visited: 1) Home 2) Our Team 3) Tools
 - Top 3 Downloads: 1) Resource Request 2) Pesticide Safety 3) MSI Stretch
- SafetyReady:** Launched a year ago, 2019 saw a 50% increase in user engagement.
- Dirt on Ag Newsletter:** Recipients opened the e-news 25% more and clicked through content links three times more than in 2018.
- Social Media:** Our followers continued to find AgSafe content interesting or useful and actively engaged by liking, sharing and commenting on posts. A majority of AgSafe social media posts contain a click-thru link that take followers directly to AgSafeBC.ca.



BC Holstein News:

AgSafe Holds Progressive Ag Safety Day

"AgSafe promotes the importance of child safety as part of their safety initiatives."



Orchard & Vine:

AgSafeBC welcomes new central Okanagan region safety consultant, Kyle Hart

"Kyle's approach to safety is to enable success through collaboration."



Young Agrarians:

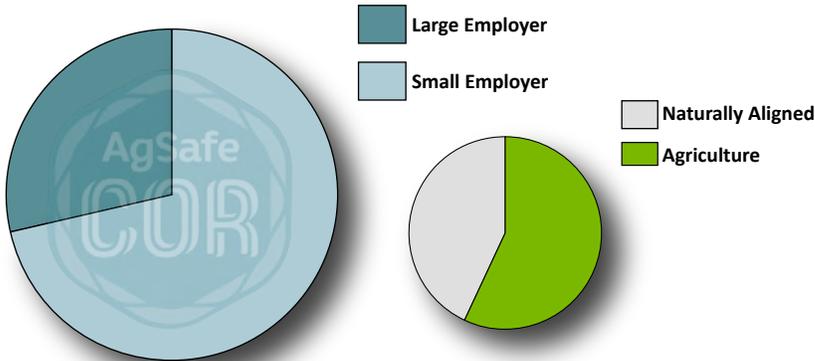
What is Bullying & Harassment?

"When it happens there is a very serious risk to the well-being and safety of workers, not only in agriculture but in all workplaces."

Certificate of Recognition (COR)

LEADERS IN SAFETY

Each year more employers throughout British Columbia work with AgSafe consultants and advisors to build customized safety management systems to improve worker safety.



14 New COR Certifications

10 COR Re-Certifications

29 COR Registrations

CONGRATULATIONS

TO THE ALL OF THE EMPLOYERS WHO EARNED THEIR
SAFETY CERTIFICATE OF RECOGNITION IN 2019

BAYER CROP SCIENCE CANADA
BLACKBIRD ENVIRONMENTAL LTD.
DENBOW LTD.
DEVRY GREENHOUSES (1989) LTD.
HUCKLEBERRY LANDSCAPE DESIGN
KOOTENAY LAKE BARGE
NORTH SHORE EQUESTRIAN CENTRE
RICHBERRY GROUP:
RICHBERRY FARMS LTD.
BK RANCH LP
PITT MEADOWS FARMS LP
ROSSDOWN GROUP OF COMPANIES:
ROSSDOWN FARMS & NATURAL FOODS,
BRADNER COLD STORAGE &
ISLAND FARMHOUSE POULTRY
UNITED IRRIGATION & LANDSCAPING INC.
VANCOUVER HORTICULTURAL SERVICES LTD.



DeVry Greenhouses is the First Floral Greenhouse in BC to Earn COR!



Richberry Group is the First Berry Farm in BC to Earn COR!

AgSafe recognizes these accomplishments through our communication channels. This year an Employer Recognition graphic was added to the suite of COR communication materials.

Injury Rates and Claims for 7010 Agriculture Subsector

Employers are placed in one of 527 classification units with other similar businesses. These classification units are then placed into one of 51 insurance pools referred to as rate groups. Employers in each rate group pay the costs of injuries and diseases that occur to the workers within the group, with the intent that each rate group be self-sufficient with regard to compensation costs. This limits cross-subsidization between industries, maintains relatively stable insurance rates, and limits growth of unfunded liabilities in the rate groups.

Insurance premium rates reflect the industry injury rate. The following chart shows the number of Time-loss and Serious Injury claims the agriculture industry has for every 100 workers over the past five years. An injury rate comparison for agriculture versus all of B.C. reflects any fluctuations over the past five years. Agriculture continues to see an above average injury rate in comparison to other sectors in B.C.

	2014	2015	2016	2017	2018	YTD 2019
Injury Rate: Agriculture	2.6	2.7	2.5	2.5	2.7	
Injury Rate: All of B.C.	2.3	2.2	2.2	2.2	2.2	
Serious Injury Rate: Agriculture	0.6	0.7	0.6	0.6	0.6	
Serious Injury Rate: All of B.C.	0.3	0.3	0.3	0.3	0.3	
# of Time Loss Claims	535	570	541	551	617	606
# of Serious Injury Claims	130	141	124	128	125	116
% of Serious Injury Claims	24%	25%	23%	24%	20%	19%
# of Person Years	20,822	21,296	21,816	22,164	22,479	

WorkSafe B.C. Prevention Activity Statistics for 2019



FINANCIAL STATEMENTS OF

FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

December 31, 2019



d'Abadie Moody inc.



INDEPENDENT AUDITOR'S REPORT

To the Directors of
Farm and Ranch Safety and Health Association

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Farm and Ranch Safety and Health Association, which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.



INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



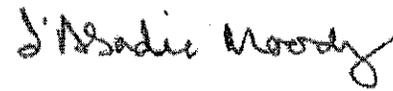
INDEPENDENT AUDITOR'S REPORT

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

Langley, British Columbia
May 11, 2020



Chartered Professional Accountants

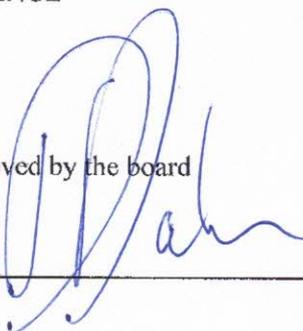


FARM AND RANCH SAFETY AND HEALTH ASSOCIATION STATEMENT OF FINANCIAL POSITION

As at December 31, 2019

	2019	2018
ASSETS		
Current		
Cash and cash equivalents	\$ 1,235,988	\$ 554,358
GST refundable and other receivables	22,975	10,953
Prepaid expenses	24,414	8,490
	1,283,377	573,801
Capital assets (Note 3)	26,644	33,382
	\$ 1,310,021	\$ 607,183
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 50,836	\$ 36,670
Payroll remittances payable	-	16,836
Salaries payable	-	14,215
	50,836	67,721
Deferred revenue (Note 4)	820,340	-
	871,176	67,721
NET ASSETS		
BALANCE	438,845	539,462
	\$ 1,310,021	\$ 607,183

Approved by the board


 _____ Chairman


 _____ Director

See accompanying notes to the financial statements



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

STATEMENT OF OPERATIONS

Year ended December 31, 2019

	2019	2018
REVENUES		
WorkSafeBC operating grants	\$ 1,408,000	\$ 1,318,000
CASA grants	10,000	-
Membership fees	15,866	5,451
	<u>1,433,866</u>	<u>1,323,451</u>
EXPENDITURES		
Accounting and legal fees	8,171	8,681
Advertising and sponsorships	38,321	34,924
Amortization	12,478	24,424
Benefits	80,513	58,140
Publication & materials	53,494	36,226
Board expenses	30,589	53,740
Conference registration & meeting expenses	34,164	25,845
Furniture & Equipment	3,135	3,858
Staff training	48,396	38,546
Miscellaneous programs	1,498	2,232
Technology	33,020	20,963
Insurance	9,345	9,197
Office Supplies	4,893	3,658
Rent and occupancy costs	57,683	49,244
Consultants & Contractors	337,831	319,391
Telecommunications & freight	12,876	15,107
Travel	142,924	144,544
Wages	585,104	499,681
	<u>1,494,435</u>	<u>1,348,401</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES FROM HSA OPERATIONS	<u>(60,569)</u>	<u>(24,950)</u>
OTHER EXPENSES (INCOME)		
Interest income	(9,805)	(4,016)
COR Operations (Schedule 1)	49,853	2,513
	<u>40,048</u>	<u>(1,503)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (100,617)</u>	<u>\$ (23,447)</u>

See accompanying notes to the financial statements



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
 Year ended December 31, 2019

	BALANCE, beginning of year	WSBC adjustment	Amortization Allocation	Income Allocation	Purchases	(Deficiency) excess of revenues over expenditures	2019 BALANCE, end of year
Unrestricted	\$ 187,081	\$ (9,467)	\$ (12,478)	\$ 100,618	\$ 5,740	\$ (111,587)	\$ 159,907
HSA Reserve Funds	312,234	9,467	12,478	(50,764)	(4,477)	-	278,938
COR Reserve Funds	40,147	-	-	(49,854)	(1,263)	10,970	-
	\$ 539,462	\$ -	\$ -	\$ -	\$ -	\$ (100,617)	\$ 438,845
	BALANCE, beginning of year		Amortization Allocation	Income Allocation	Purchases	Deficiency of revenues over expenditures	2018 BALANCE, end of year
Unrestricted	\$ 191,963	\$ (24,424)	\$ 32,914	\$ 10,075	\$ (23,447)	\$ 187,081	
HSA Reserve Funds	322,900	24,424	(30,401)	(4,689)	-	312,234	
COR Reserve Funds	48,046	-	(2,513)	(5,386)	-	40,147	
	\$ 562,909	\$ -	\$ -	\$ -	\$ (23,447)	\$ 539,462	

See accompanying notes to the financial statements



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

STATEMENT OF CASH FLOWS

Year ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	\$ (100,617)	\$ (23,447)
Item not affecting cash		
Amortization	12,478	24,424
	(88,139)	977
Change in non-cash working capital items		
GST refundable and other receivables	(12,022)	22,414
Prepaid expenses	(15,924)	639
Accounts payable and accrued liabilities	14,166	(19,551)
Payroll remittances payable	(16,836)	5,653
Salaries payable	(14,215)	4,098
	(132,970)	14,230
FINANCING ACTIVITY		
Deferred revenue	820,340	(659,000)
INVESTING ACTIVITY		
Purchase of capital assets	(5,740)	(10,075)
INCREASE (DECREASE) IN CASH	681,630	(654,845)
CASH, beginning of year	554,358	1,209,203
CASH, end of year	\$ 1,235,988	\$ 554,358

See accompanying notes to the financial statements



d'Abadie Moody Inc.



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

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 organizations.

(a) Cash equivalents

Cash equivalents consist principally of money market funds and other highly liquid interest-bearing instruments with original maturities of three months or less.

(b) Capital assets

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

Test equipment	30% Declining balance
Furniture and fixtures	20% Declining balance
Computer equipment	3 years Straight-line
Computer software	1 year Straight-line

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, 2019

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.

(e) Use of estimates

The preparation of financial statements in conformity with Association 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.



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

3. Capital assets

	2019		2018	
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Test equipment	\$ 18,070	\$ 16,132	\$ 1,938	\$ 2,769
Furniture and fixtures	93,914	77,158	16,756	20,944
Leasehold improvements	52,504	47,912	4,592	-
Computer equipment	78,553	75,195	3,358	9,669
Computer software	22,568	22,568	-	-
	<u>\$ 265,609</u>	<u>\$ 238,965</u>	<u>\$ 26,644</u>	<u>\$ 33,382</u>

4. Deferred revenue

	2019	2018
WorkSafeBC funding received in advanced - HSA	<u>\$ 820,400</u>	<u>\$ -</u>

WorkSafeBC funding for 2020 was received in December 2019 in the amount of \$ 820,400.

5. Commitments

As at December 31, 2019, the Association has outstanding lease commitments with respect to the office premise and equipment as follows:

2020	\$ 48,976
2021	50,379
2022	52,082
2023	52,082
	<u>\$ 203,519</u>



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

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 98.6% (2018 - 99.5%) 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>2019</u>
Chair	\$ 13,300
Director	2,100
Director	1,800
Director	2,100
Director	200
Director	<u>2,400</u>
Total fees paid for director services	<u>21,900</u>
Consulting fees paid to one company	101,217
Total salaries paid to four employees	<u>301,214</u>
Total remuneration paid to employees or contractors for services over \$75,000	<u>402,431</u>
	<u>\$ 424,331</u>



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

10. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the Association is a going concern and thus expects to fully repay the outstanding amounts.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association has no foreign currency transactions and therefore is not exposed to significant currency risk

(c) Credit risk

The Association does have credit risk in gst refundable and other receivables of \$22,975 (2018 - \$10,953). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Association reduces its exposure to credit risk by performing credit valuations on a regular basis and creating an allowance for bad debts when applicable. In the opinion of management the credit risk exposure to the Association is low and is not significant.

(d) Liquidity risk

The Association does have a liquidity risk in the accounts payable and accrued liabilities of \$50,836 (2018 - \$36,670). Liquidity risk is the risk that the Association cannot repay its obligations when they become due to its creditors. The Association reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. In the opinion of management the liquidity risk exposure to the Association is low and is not significant.



FARM AND RANCH SAFETY AND HEALTH ASSOCIATION

SCHEDULE TO THE FINANCIAL STATEMENTS

Year ended December 31, 2019

Schedule of COR Revenue and Expenditures

Schedule 1

	2019	2018
WorkSafeBC COR grant	\$ 395,000	\$ 395,000
Accounting & legal	(8,489)	(2,982)
Advertising and sponsorships	(11,413)	(13,313)
Benefits	(28,895)	(24,765)
Board Expenses	(8,453)	(11,223)
Conference registration and meeting expenses	(4,954)	(4,880)
Consultants & contractors	(87,371)	(43,859)
Furniture and equipment	(861)	(1,390)
Office supplies	(1,173)	(1,858)
Insurance	(2,043)	(4,777)
Publication and materials	(12,668)	(32,426)
Rent and occupancy	(16,649)	(25,699)
Staff training	(4,126)	(13,594)
Technology	(8,736)	(11,310)
Telephone and freight	(2,542)	(2,791)
Travel	(7,873)	(9,435)
Wages	(238,607)	(193,211)
	\$ (49,853)	\$ (2,513)

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.





AgSafe



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**This 2019 annual report, and those from previous years, are available online at:
www.agsafebc.ca.**