



# 2025 ANNUAL REPORT

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## Values

Support of families, family farms, and stakeholders

Striving for excellence by thinking proactively

Passion & exceeding expectations

Smart work with a dose of fun

Self-improvement

Results-oriented

Act stewardly

Integrity



## Vision

A progressive and prosperous  
BC Broiler Hatching Egg Sector.



## Mission

Striving daily to provide high quality hatching eggs  
while fostering a culture of collaboration,  
efficiency and sustainability.



## Message from the Chair

I am honoured to begin serving as Chair of the BC Broiler Hatching Egg Commission. Having stepped into this role late in 2025, my initial focus has been on listening, gaining a clear understanding of the priorities already identified by the Commission, and supporting continuity as we move forward.

As I take on this responsibility, growth within the hatching egg sector must remain a central priority. A strong and sustainable hatching egg industry is foundational to the success of the broader chicken sector, and ensuring the right tools are in place to support measured growth, new entrants, and regional development will be essential in the years ahead.



Over the past year, the Commission has advanced important work under its 2025 Strategic Plan. This includes proposed regulatory enhancements, a renewed New Producer Program, and a focused approach to regional diversification particularly opportunities in the Interior of British Columbia. Together, these initiatives are designed to support long-term sector sustainability, improve quota accessibility and liquidity, and better align production with future market needs.

In addition to this role with the Commission, I continue to serve as Chair of the BC Chicken Marketing Board. This dual perspective provides a valuable opportunity to strengthen coordination, communication, and alignment across the regulated chicken system, while fully respecting the distinct mandates of each organization.

I also serve as Chair of the BC Poultry Emergency Operations Centre (EOC). Over the past year, we have made meaningful progress in strengthening how the poultry sector responds to disease events and emergencies. Through close collaboration with the BC Poultry Association, fellow poultry boards, and government partners, we have moved toward a more practical and coordinated response system that supports farmers, processors, hatcheries, and allied trades.

This year, we welcomed a new EOC Director and formalized a dedicated team to support this critical work. I would like to acknowledge Shawn and Sue Hall for stepping into these roles and helping advance the EOC's efforts. At the same time, we continue to explore new technology, innovation, and proactive strategies to limit the spread of avian influenza, while strengthening our strategic communications capacity to better support producers during disease outbreaks and natural disasters, such as flooding.

Looking ahead, my role as Chair will be to support the Board, staff, producers, and hatcheries as this work transitions from planning to implementation. I am committed to a collaborative approach that respects the Commission's mandate while strengthening alignment across the supply-managed system.

I look forward to working closely with all stakeholders to help advance these initiatives and support a growing, resilient, and well-coordinated hatching egg sector in British Columbia.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin Klippenstein', with a long horizontal flourish extending to the right.

**Kevin Klippenstein, Chair**  
BC Broiler Hatching Egg Commission

## Message from the Executive Director



The past year was one of transition, resilience, and steady progress for the BC Broiler Hatching Egg Commission. As Bill Vanderspek entered his final year as Chair, his leadership helped guide the sector through a complex operating environment marked by both external challenges and important internal advancements.

Early in the year, the Commission faced several challenges related to hatchery operations. Through collaboration and sustained effort, these issues were successfully resolved, reinforcing the strength of relationships across the sector. Regulatory accountability remained a priority, with progress formally reported to the BC Farm Industry Review Board through three separate reports over the course of the year.

A major operational milestone was achieved with all licensed hatcheries fully adopting the Hatching Egg Reporting System, significantly improving consistency, transparency, and data quality. In parallel, a marketable egg trial was launched, providing valuable insights to support future policy and production decisions. Throughout the year, Commission staff devoted substantial time and patience to ongoing production rebalancing efforts, a complex but necessary process to support long-term sector stability.

Governance and engagement remained strong in 2025. The March Annual General Meeting, along with subsequent producer meetings, was well attended and ran smoothly, reflecting continued producer interest and involvement across the sector.

The industry continued to navigate significant animal health pressures, as Highly Pathogenic Avian Influenza (HPAI) wave 8 impacted British Columbia. Considerable work was undertaken related to permits and HPAI management to ensure coordinated responses and regulatory compliance, while supporting producers through a challenging period. In addition, Commission staff advanced several peace time planning initiatives, which were actioned to ease paperwork and documentation challenges for producers affected by disease events.

On the modernization front, a producer reporting system portal was successfully trialed with Commission members and Association directors, marking an important step toward improved information sharing and access to production data for producers.

Strategic planning also progressed significantly with the drafting of several key policy and program updates. The Lease Policy was thoroughly reviewed, refreshed, and finalized. In addition, the Quota Policy Review, proposed revisions to the New Producer Program, and the Regional Diversification Program were distributed for stakeholder review. The Commission anticipates receiving informed feedback to support thoughtful consideration and effective implementation in the years ahead.

In December 2025, Kevin Klippenstein was appointed as Chair. The Commission board and staff anticipate strong leadership and continued progress under his guidance.

Overall, 2025 was a year defined by adaptability, collaboration, and meaningful progress. Despite external pressures and operational complexity, the Commission continued to strengthen its systems, policies, and engagement, laying a solid foundation for the implementation of key initiatives in the year ahead.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Stephanie Nelson', written in a cursive style.

**Stephanie Nelson, Executive Director**  
BC Broiler Hatching Egg Commission

## Canadian Hatching Egg Producers' 2025 Provincial Report



The past year highlighted the strength and reliability of Canada's broiler hatching egg sector. Across the country, producers, provincial boards, hatcheries, and industry partners worked together to ensure a steady supply of high-quality hatching eggs for chicken farmers and Canadian families.

This collective effort reflects the resilience of Canada's supply-managed system and the dedication of the people who support it every day. Through collaboration, careful planning, and a shared commitment to excellence, the sector continued to deliver for the broader poultry value chain while adapting to a complex operating environment.

### HPAI

Highly Pathogenic Avian Influenza (HPAI) continued to affect the poultry sector throughout 2025. Over the course of the year, 118 HPAI cases were confirmed nationally across commercial poultry, non-commercial poultry, and non-poultry settings.

Cases were reported in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and Atlantic Canada. In total, 10 broiler breeder premises were affected nationally, impacting approximately 252,000 broiler breeders, with most breeder cases occurring in British Columbia and single breeder cases identified in Manitoba and Ontario. Across all poultry sectors, more than 3.2 million domestic birds were impacted during the year.

Throughout this period, CHEP worked closely with the National Poultry Group, the Canadian Food Inspection Agency, and Animal Health Canada to strengthen preparedness, coordination, and emergency response. CHEP also remained actively involved in national discussions related to the development of a Canadian HPAI vaccination strategy, with a focus on building resilience while maintaining market confidence.

At the farm level, producers continued to demonstrate leadership through disciplined biosecurity practices, strong flock management, and their expertise in raising and managing pullets. Ongoing attention to brooding practices, flock health, and maintaining high hatchability, alongside strong coordination with hatcheries and provincial boards, will continue to support consistent supply and system stability.

### On-Farm Programs

CHEP continued to support the consistent national implementation of the Canadian Hatching Egg Quality (CHEQ™) program and the Animal Care Program (ACP). Ongoing engagement with CFIA and the Canadian Hatchery Federation focused on addressing implementation challenges associated with the Health of Animals Regulations, including testing approaches and data-sharing requirements.

Internal and third-party audit processes were further streamlined in 2025, including improvements to audit scheduling and steps to reduce unnecessary biosecurity risks associated with on-farm visits. These efforts are intended to maintain strong oversight while ensuring programs remain practical and reflective of on-farm realities.

## Allocation / Liquidated Damage Assessment

This year, CHEP and provincial boards finalized a historic five-year addendum to the national allocation framework, extending the overproduction sleeve through 2030. This agreement represents one of the most significant structural adjustments to the broiler hatching egg system in recent decades.

The decision reflects sustained pressure on the sector to ensure sufficient domestic supply in an environment shaped by disease risk, import reliance, and increasing market volatility. The agreed framework provides producers with up to 10 percent flexibility above allocation for the 2025–2030 period, following a 7 percent sleeve in 2024, allowing the system to respond responsibly to demand fluctuations, supply disruptions, and unforeseen events while maintaining overall balance and discipline.

Importantly, this multi-year agreement provides long-term planning certainty for producers, hatcheries, and provincial boards. This agreement demonstrates the adaptability of Canada's supply-managed system and the strength of collaboration across the sector.

## Engagement with the FPCC and Federal Partners

CHEP maintained regular engagement with the Farm Products Council of Canada throughout 2025 on governance, regulatory oversight, and broader sector issues including HPAI impacts, amendments to the allocation framework, levy-related matters, and trade considerations, including the federal government's ongoing review of CUSMA.

CHEP also continued to work closely with federal departments and agencies to support efforts to modernize regulatory frameworks where appropriate, reduce unnecessary administrative barriers, and ensure national policies reflect the realities of a small, highly specialized producer base.

These efforts were undertaken in close alignment with supply-managed partners, including Chicken Farmers of Canada and other supply-managed commodities, reinforcing the collective strength of the system and the shared commitment to protecting Canada's domestic food production capacity.

## Sector Collaboration and Appreciation

The continued strength of the broiler hatching egg sector reflects the commitment of producers, hatcheries, provincial boards, and industry partners across the country. CHEP recognizes the ongoing efforts of hatcheries working closely with provincial boards and through Canadian Hatchery Federation to manage supply challenges, permitting requirements, and day-to-day operational pressures.

CHEP also acknowledges the essential role played by veterinarians, allied trades, and genetic companies, including Aviagen and Cobb, whose collaboration has been critical in navigating zoning, supply, and disease-related challenges.

Equally important is the work of the dedicated staff who support the system at both the national and provincial levels. CHEP staff and Provincial Board staff work closely together to support producers, assist Board members, coordinate programs and policies, and ensure the orderly and effective operation of the supply-managed system.

CHEP is grateful to the many producers who also dedicate their time through service on provincial boards, producer associations, and industry committees, and encourages continued involvement and leadership across the sector. Their professionalism, institutional knowledge, and daily commitment provide the foundation that allows producers to focus on delivering for the broader poultry sector and Canadian families.

### Looking Ahead into 2026

Looking ahead, CHEP remains focused on strengthening disease preparedness, supporting high standards of production and flock management, and ensuring the allocation framework continues to support planning stability and growth.

As the organization prepares for the next phase of strategic planning, the focus will remain on practical, forward-looking solutions that build on the collaborative foundation of supply management. The broiler hatching egg sector remains a critical contributor to Canada's chicken supply, delivering an amazing product that Canadian families rely on every day. Supported by strong public and government confidence in supply management, this continues to be an exciting and rewarding time to be a Canadian hatching egg producer.

## BC Broiler Hatching Egg Commission Board Members



**Kevin Klippenstein**  
Chair



**Daniel Zylstra**  
Vice-Chair



**Beata Kunze**  
Member



**Calvin Breukelman**  
Member



**Shane Driessen**  
Member

## BC Broiler Hatching Egg Commission Staff



**Stephanie Nelson**  
Executive Director



**Joshua Crossett**  
Finance & Production  
Manager



**Michaela Devries**  
Office  
Administrator



**Kaitlyn Loewen**  
Operations  
Manager



**Jenny Goertz**  
Accountant



**Riesa Kyne**  
Production  
Coordinator



**Rae Bennett**  
On-Farm Program  
Technician

Not Pictured: **Barry Harder** (BQEP Transporter)

## On-Farm Team Report

### Audit Programs

BC Hatching Egg Producers continue to adhere to the CHEQ™ Food Safety Program, the CHEP Animal Care Program, and the BC Poultry Biosecurity Program. All 2025 audits were completed and successfully recertified. This year, the On-Farm Team observed continued improvements to on-farm biosecurity practices, as well as innovations in ventilation systems in response to disease risks. The On-Farm Team encourages Producers to continue effective implementation of all Schedule 5 Programs.

### Salmonella Enteritidis Monitoring

BC Hatching Egg Producers continue to adhere to the mandatory *Salmonella Enteritidis* (SE) monitoring program in accordance with the Canadian Food Inspection Agency's (CFIA) Health of Animals Regulations – Hatcheries and Supply Flocks. The program includes both reactive testing triggered by hatchery fluff samples and routine monitoring tests. Sampling protocols continue to be monitored to ensure accuracy and compliance. All required SE testing was completed and accounted for by the On-Farm Team in 2025.

In October, the On-Farm Team hosted an SE Prevention and Control webinar presented by Dr. Gigi Lin with the Office of the Chief Veterinarian for BC Hatching Egg Producers. Salmonella monitoring and producer education continue to be a vital part of effective disease management throughout the chicken supply chain.

### Emergency Response

The BC poultry industry saw the onset of Highly Pathogenic Avian Influenza (HPAI) Wave 8. Throughout this period, the On-Farm Team continued its work within the Industry Permitting Department, facilitating permits and ensuring the continued movement of products for Producers. The team also actively engaged with and supported Infected Premises during the outbreak.

The summer was dedicated to peace time planning, with the On-Farm Team focusing on developing helpful resources for future disease outbreaks. The team created and distributed a comprehensive Infected Premises (IP) Timeline document outlining key steps for IPs and providing practical guidance to support smoother processes. A Distinct Unit Request informational package was also developed to assist producers in making informed decisions regarding available options during high-risk disease events. In addition, the On-Farm Team supported producers by providing fillable, easy-to-use HPAI IP Cleaning and Disinfection SOPs.

In both February and July, Kaitlyn Loewen assisted with the BC Poultry Association's Training for Enhanced Destruction Capacity project. She served as an auditor representative and supported third-party verification processes, helping to ensure strong and reliable training resources for future disease outbreak responses in the province.

The end of 2025 was impacted by the Sumas Prairie flood, which caused significant damage to farmland, homes, and devastated the livelihoods of several producers. The On-Farm Team supported affected Producers through crisis management efforts and liaised with provincial funding programs. This work will continue into 2026.

Staff recognize the dedication, sense of community, and resilience of our Producers and appreciate the continued support during these challenging circumstances.

Thank you to our Producer body for the time, commitment, and volunteer efforts contributed to the betterment of our industry.

Respectfully submitted,

**Kaitlyn Loewen**, On-Farm Program Coordinator

**Rae Bennett**, On-Farm Program Technician

## BC Broiler Hatching Egg Commission and the BC Chicken Marketing Board Joint Report



We are pleased to report that the BC Broiler Hatching Egg Commission (the Commission) and the BC Chicken Marketing Board (the Chicken Board) continued working together to advance the chicken industry in British Columbia. As per the Memorandum of Understanding (MOU), a series of Board-to-board meetings were held to discuss specific issues where collaboration could lead to positive outcomes for our respective industries; the Chicken Board and Commission have conducted four Board-to-Board Meetings in 2025. This year's meetings included discussion and consultation on updates to our respective COP formulas, chick supply issues related to HPAI, strategic plan initiatives, work done towards the hatchery margin updates, specialty COPs, amongst other industry relevant topics.

The Commission and the Chicken Board agree that our shared mandate requires ongoing, constructive cooperation and coordination in support of the strategic interests of the regulated BC chicken industry. Both organizations recognize that continued effort is needed to ensure the industry's long-term viability and sustainability. We are working together to advance the sector and meet the needs of a growing market. We also remain closely aligned in our response to Avian Influenza and the challenges it continues to present.

We continue to be confident that through continued dialogue and collaboration, we can overcome the challenges that lie ahead and build a stronger, more resilient industry for the future.

We look forward to continuing our work together in the coming year.

A handwritten signature in black ink, appearing to read "Kevin Klippenstein".

Kevin Klippenstein, Chair  
BC Chicken Marketing Board

A handwritten signature in black ink, appearing to read "Bill Vanderspek".

Bill Vanderspek, Former Chair  
BC Broiler Hatching Egg Commission

## Message from the Producers' Association President

### Annual Reflection on the Industry

Another year has passed quickly, offering an opportunity to step back and reflect on our industry from an annual perspective. I would like to express my sincere gratitude to the staff at the Commission office for their tireless efforts. Their dedication, time, and unwavering support have been invaluable in helping our sector remain a leader within the broader poultry industry. The BC Broiler Hatching Egg Producers' Association (BCBHEPA) deeply appreciates their continued commitment to the success of our members.



### 2024 Achievements and Funding

In 2024, the Association successfully secured \$500,000 in funding from the Investment Agriculture Foundation (IAF) to support mitigation strategies related to Avian Influenza. These efforts focused on three key project streams: Driveway Enhancements, Cleaning and Disinfecting Products, and Barn Entry Design. Through these initiatives, producers were able to make targeted improvements to their farms and address individual concerns. Collectively, these efforts resulted in the completion of 44 on-farm projects, marking the conclusion of this funding period and further strengthening the resilience of our industry.

### Representation and Industry Leadership

Hatching egg producers are represented through the BCBHEPA at the BC Poultry Association, which plays a vital role in enhancing Avian Influenza response efforts and advocating to government on behalf of the poultry sector. The organization supports training in safe and humane depopulation methods, coordinates the supply of carbon dioxide in the event of federally reportable disease outbreaks in British Columbia, and continues to lead globally in advancing nitrogen as a potential tool for future use.

The BC Poultry Association has also secured the designation of May 26, 2026, as BC Poultry Day: An important opportunity to recognize our sector's contributions to the food security of British Columbians and to advocate for government action on issues affecting poultry producers. Beyond BC Poultry Day, the organization continues to provide valuable input into government support programs, including funding for trials of innovative technologies to combat Avian Influenza.

### Engagement through BC Agriculture Council

Producers are also represented through the BC Agriculture Council (BCAC), which did an outstanding job at Ag Days. This event provides producers with the opportunity to engage directly with government representatives.

We extend our sincere thanks to Angela Groothof for her valuable time and advocacy on behalf of Hatching Egg Producers and for representing the industry's needs and concerns.

### Community Outreach and Education

Our outreach efforts extend further through participation with Poultry in Motion, a travelling trailer featuring hatching egg hens and broilers. This initiative allows producer volunteers to engage with students and the public at schools and community events. This year, Poultry in Motion visited multiple locations, fostering meaningful conversations and strengthening public understanding of our industry.

### Supporting Local Causes

Closer to home, the Association and its members proudly supported the annual golf tournament, raising funds for the Cyrus Centre and the Archway Foundation. These efforts reflected our continued commitment to supporting the communities in which we live and work.

### Leadership and Committee Participation

Finally, I would like to recognize both outgoing and incoming directors for their active participation in committee work within BCBHEPA and the Producers Association (PA Four Feathers group). Their dedication to representing our members and addressing the complex challenges facing our sector is a testament to the strength and resilience of our Association.

Respectfully submitted,

**Bruce Apperloo**

President, BC Broiler Hatching Egg Producers' Association

## Committee Reports

### BC Poultry Association – 2025 Year in Review

The BC Poultry Association (BCPA) is responsible for representing the interests of the regulated BC poultry associations on common issues that strengthen and improve the well-being of regulated poultry farmers.



### Current BCPA Directors

- Directors are appointed by the four member associations; each association appoints their chair and one other director. The association represented by the Chair appoints an additional representative.
- In addition, each Marketing Board/Commission appoints one producer director representative to the BCPA. These positions are *ex-officio* and non-voting.
- The BCAC poultry director also sits on the BCPA as an *ex-officio* and non-voting.

Name	Sector and Position on BCPA
Steve Heppell	Turkey
Bruce Apperloo	Hatching eggs, President (additionally, the Chair of the Biosecurity Committee)
Braeden Schuetz	Hatching eggs
Matthew Burgsma	Chicken
Brad Driediger	Chicken, Chair (additionally, serving on the EOC Governance Committee)
Juschka Clarke	Eggs
Campbell Woike	Eggs
Steve Heppell	Turkey
Johan Neels	Turkey
Shane Driessen	<i>ex-officio</i> , Hatching eggs
Dale Krahn	<i>ex-officio</i> , Chicken
James Krahn	<i>ex-officio</i> , Turkey
Jon Krahn	<i>ex-officio</i> , Eggs
Jennifer Woike	<i>ex-officio</i> , BC Agriculture Council (BCAC) poultry rep

## Meeting and activity highlights

- The BCPA held five director meetings, as well as an Annual General Meeting.
- Directors attended the BCAC, IAF, and WorkSafe AGMs, and sent a strong delegation to Victoria for this year's BC Agriculture Day.
- The BCPA is managing four projects for a total of \$3.26 million dollars in funding:
  - \$1.8 million from Canadian Food Inspection Agency (CFIA) to conduct destruction training for third-party contractors under the Federal Assistance Program (FAP). The three-year project is now in its final year. Cathy Van Martin continues to manage the project. Numerous training sessions were held in 2025, including sessions that trialed the use of nitrogen gas. Two of the companies trained through the program continue to assist CFIA with infected premises destruction, and a third destruction company has expressed interest in participating.
  - \$500,000 from the BC Ministry of Agriculture and Food's Farmed Animal Disease Program to conduct whole-barn nitrogen gas trials to validate European processes. The BCPA partnered with organizations in Alberta, Manitoba, and Quebec on the project. The project has been successful, demonstrating that liquid nitrogen can be used for whole-barn depopulation without compromising human safety or animal welfare. Draft standard operating procedures (SOPs) for liquid nitrogen were developed. The draft SOPs were submitted to the Chief Veterinary Officers in several provinces and to CFIA's national destruction committee for review. The hope is that liquid nitrogen will be authorized for destruction of the whole barn. It is much more readily available than CO<sub>2</sub>.
  - \$200,000 from the BC Ministry of Agriculture and Food's Farmed Animal Disease Program to support the hiring of an Executive Director for the Emergency Operations Centre (EOC). Shawn Hall assumed this role in 2025, succeeding Clayton Botkin.
  - \$760,000 through the Food Security Emergency Planning and Preparedness Program for a second liquid nitrogen project. This initiative will continue refining delivery systems and other technical components.
- Paul Pryce joined the BCPA as its new Executive Director in March, succeeding Christine Koch after a decade of service. Paul has over 15 years of experience in government relations and project management, including previous roles as Executive Director of the BC Blueberry Council and Director of Policy at BC Agriculture Council.
- The BCPA approved a new strategic plan, pursuing increased advocacy for the sector through opportunities like an annual BC Poultry Day at the Legislative Assembly. The directors also completed a comprehensive update to the organization's governance, including a new Governance Handbook and a formal onboarding process for new directors.

## Biosecurity Committee

The Biosecurity Committee met twice during the year. As part of the BCPA's comprehensive governance review, the committee provided feedback on improvements to its Terms of Reference and approved a timeline for future updates to the Biosecurity Reference Manuals. These updates will seek auditor input following the HPAI season, allowing time to analyze successful practices and identify areas for improvement. Bruce Apperloo continues to serve as Chair, with Paul Pryce providing staff support.

## Surveillance Committee

The Surveillance Committee met several times throughout the year to discuss potential changes to the biosecurity level. An anticipated move to yellow in the summer was delayed due to an outbreak of velogenic Newcastle disease virus in commercial pigeon operations in the Fraser Valley. Based on the sustained red biosecurity level throughout much of 2025, the committee has also discussed the need to revisit the triggers for moving between levels.

## Avian Influenza Response

Unfortunately, highly pathogenic avian influenza (HPAI) continues to threaten poultry farms throughout the province.

The BCPA continues to implement a three-year contract with Ferus, ending in 2027, to rent a pressurized and refrigerated CO<sub>2</sub> storage tank in the Fraser Valley. Securing this supply significantly speeds up delivery and increases the capacity to respond when multiple infections are identified in a short period.

Significant progress has also been made this year in securing approval for nitrogen as an alternative depopulation method. Nitrogen supply is much more abundantly available, and trials have demonstrated that it can be a safe, efficient, and humane method for depopulation.

The BCPA has also secured the formation of an Avian Influenza Prevention Partnership (AIPP) with government, which allows the industry to engage directly with personnel from CFIA, the BC Ministry of Agriculture and Food, the BC Centre for Disease Control, and more to collaboratively identify solutions. Work within the AIPP helped lead to the launch of the province's Novel Tools and Technology Program, and the BCPA hosted webinars and other activities to raise awareness among producers about this new funding opportunity.

Due to the length of the HPAI outbreak in 2024, a new oversight structure was developed for the Emergency Operations Centre. The EOC has successfully transitioned to this new structure, with Shawn and Sue Hall hired as staff, reporting to a Governance Committee now formed by a combination of producers and staff representatives from the marketing boards as well as representatives from the BCPA.

*Kudos to the EOC team and permitting staff that somehow keep birds, chicks, and eggs moving throughout all of this.*

## 2025 Poultry in Motion Annual Report

POULTRY IN MOTION EDUCATIONAL MINI-BARN PROGRAM 2025  
REPORT



Poultry in Motion Chair and Lower Mainland PiM Director:  
Dennis Flokstra

It is once again time to present our year-in-review of the Poultry in Motion (PiM) program. As Lower Mainland Director and Chair of the program, I am pleased to report that it has been a busy and productive year.

We were fortunate that the program was not hindered by Avian Influenza restrictions in 2025, allowing us to operate at full capacity. This year marked the successful launch of our classroom presentations, during which we hosted several cooking and classroom sessions when weather conditions did not allow for the trailer to be used.

In July, the PiM Lower Mainland Coordinator resigned; however, shortly thereafter, the PiM Ambassador Program led us to Amanda Korthuis. Amanda now serves as a trailer ambassador, classroom presenter, and our social media coordinator. She brings a wealth of knowledge of the chicken industry and is a dynamic and engaging speaker.

This past spring, our long-time director and Island PiM Chair, Bev Whitta, stepped down from her association and PiM responsibilities. Bev's contributions to the development and implementation of the PIM program are far too numerous to list. Her work on our educational videos will continue to serve as a valuable resource for years to come. We wish her all the best as she focuses on her family and farm.

In April, we welcomed Thomas Cuthbert as the new PiM Island Chair. Both Thomas and his wife, Catherine, quickly became familiar with trailer operations and have been very active attending schools, public fairs, and community events.

Our Interior Director, Mitchell Fried, along with his wife, Sam, were also active at fairs throughout the Okanagan this summer. I would like to extend my sincere thanks to the Interior growers and their families who took time out of their busy schedules to cover shifts at these events.

Back in the Fraser Valley, we had a full schedule throughout spring and fall, including in-class presentations, school visits with the trailer, and appearances at several summer fairs. My thanks go out to everyone who made the effort to participate this summer and help make our presence at the PNE a success. It was encouraging to see the results of our first-ever Ambassador Program, with so many people stepping up to help. We are hopeful for even greater participation in the coming years so stay tuned, and please consider joining us to share your farming story with the public. It is important that people see firsthand that we care not only about our chickens, but also about the customers we serve.

Special thanks go to the hatcheries and farmers who generously provided the chicks and birds used in the display trailers throughout the season.

On behalf of the BC Chicken Growers' Association, the BC Hatching Egg Producers' Association, and our Poultry in Motion Committee, thank you for your support as we continue to seek opportunities to educate and promote BC chicken to the people of British Columbia.

### Poultry in Motion Island Chair: Thomas Cuthbert

The Vancouver Island PiM trailer was not as busy this year as in past years; however, we were still able to visit several schools and attend local fairs throughout the summer. The year began at the Island Agriculture Show in Cowichan, where we attended for two days in February. The first day was busy with many school groups visiting the trailer, followed by a well-attended second day with farmers and local community members eager to learn more about agriculture.

The Island trailer visited École North Oyster Elementary for their Fun Fair and Ladysmith Primary School, where 14 classes toured the trailer throughout the day. The PiM trailer was also featured at a dairy farm during school tours, welcoming several classes from kindergarten to Grade 3, with approximately 80 attendees in total. Students had the opportunity to learn about chickens and broiler breeders, as well as touring the dairy facility and observing the milking robots in action.

Throughout the summer months, the trailer attended the Cobble Hill Fair, Saanich Fair, and Cowichan Exhibition. There was strong interest from attendees, with many opportunities to engage with children and families, answer questions, explain where chicken comes from, how it is raised, and help dispel common misconceptions about poultry production.

Overall, it was a rewarding year of learning how to operate the trailer and connect with the public, and we look forward to building on this momentum in the year ahead.

### Poultry in Motion Interior Chair: Mitchell Fried

To start the 2025 fair season, we attended the Farmstrong Cider Company Food Market and Learning Expo. This was a great opportunity to connect with individuals who were interested in learning more about where their food comes from. Marketgoers came with the intention of connecting with farmers, which led to great questions and engaging conversations.

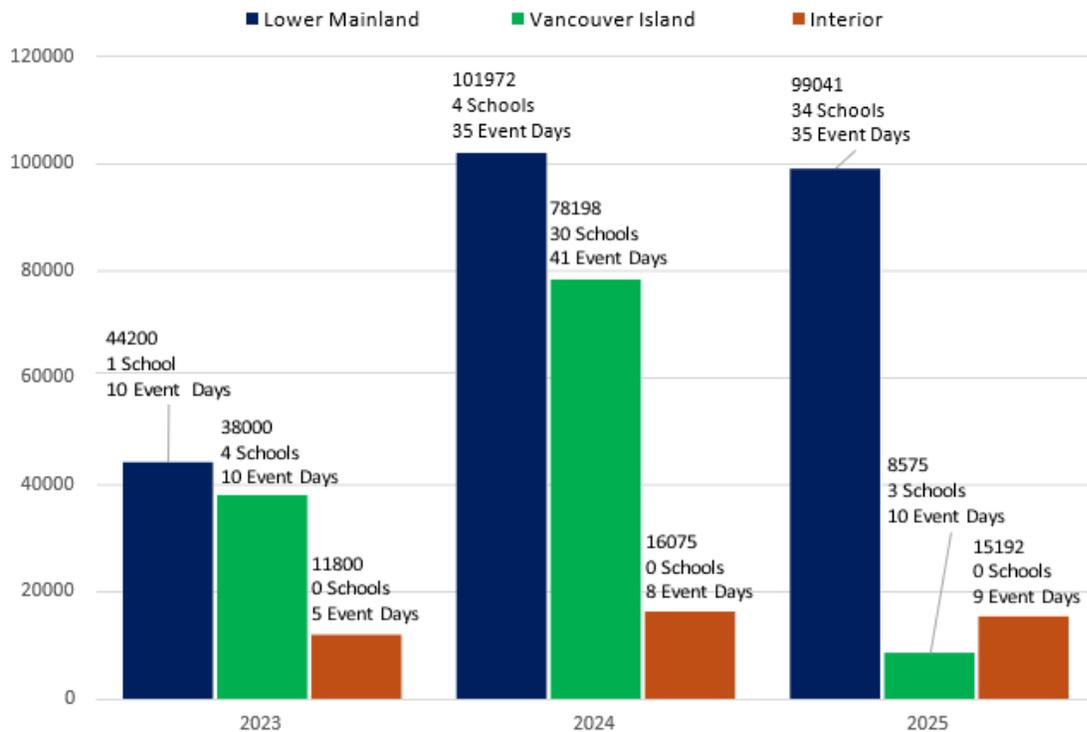
A couple of weeks later, we attended the Salmon Arm Fair. To wrap up the fair season, we spent a week at the Interior Provincial Exhibition. We were placed in a great location with a lot of foot traffic. For 2025, total engagement with the Interior trailer was 15,192, providing a great benchmark to carry into 2026.

2025 was the first year marked by the launch of both the Ambassador Training Program and the new spinning wheel. In the Interior, we are fortunate to have several dedicated growers who look forward to representing our industry each year. This past year, we also welcomed several newcomers who took their first shifts and are already eager to return next season.

The Ambassador Program has proven to be a positive initiative, and we look forward to continuing its development in the future. Additionally, the spinning wheel became a bridge for deeper conversation, offering helpful tips and ensuring participants walked away having learned something new. It has quickly become a valuable addition to the Poultry in Motion experience.

## Attendance Report

Regional Attendance and Event and School Days: 2023-2025



While overall attendance was lower in 2025 than in 2024, this was largely due to fewer school visits on the Island during the transition between PiM Island Chairs. This was anticipated and we expect that number to increase in 2026. With a presenter now available on the Island to support classroom, trailer, and public events, we are well positioned to expand our reach in that region.

Meanwhile, the Lower Mainland experienced an increase in school days, with a successful mix of both trailer and classroom presentations.

### Poultry in Motion Administrator: Shannon Ardell

#### Roles of PiM Committee and Staff Members

The Poultry in Motion Committee provides strategic leadership for our staff team. In addition to Dennis, Thomas, and Mitchell, Des Soumang also sits on the committee, providing technical expertise in the trailer HVAC systems and overseeing specialty program integration.

Representing BC Hatching Egg Producers, we were pleased to have both Colin Bruekelman and Braeden Schuetz involved this year. Colin and Braeden have been active committee members, regularly supporting the program by hauling the trailer and attending various events throughout the season.

I have the pleasure of leading our PiM staff team and am truly grateful for the energy, dedication, and expertise they bring to the program.

**Amanda Korthuis** officially joined us in September 2025. She serves as our Classroom Presenter for the Island and Lower Mainland, our Trailer School Presenter across all regions, and our Social Media Coordinator. I am thrilled with the launch of our Instagram account ([poultryinmotionbc](#)) and encourage everyone to follow along to see the great work PiM is doing.

**Janice Simpson** joined the team in July 2025, working one day per week to provide administrative support. With her background in educational development, Janice has been instrumental in helping shape and refine our lesson plans for grades K–5.

Our Trailer Ambassadors are also a vital part of the program. In 2025, we launched the Ambassador Program to encourage greater grower involvement in staffing the trailer at fairs and events. With the support of a Learning Transfer Grant from the Province of British Columbia, we hosted five training sessions. A total of 26 growers and staff participated, and 24 of them went on to work shifts at the PiM trailer during the summer fair season.

## Educational Enhancements and Reach

We've made several updates this year to better connect with students and teachers:

- **Tailored Curriculum:** Developed a curriculum better aligned with specific grade levels, ensuring content is age-appropriate and impactful for each group.
- **Interactive Learning:** Created new activity worksheets and group projects designed specifically for grades K-3, 4-7, and 8-10.
- **Enhanced Presentations:** Developed presenter lesson sheets highlighting key teaching points to ensure consistent delivery of learning objectives across all presentations. Presentations scripts were also improved to keep sessions engaging and dynamic to students.
- **New Resources:** Designed a new promotional flyer to highlight and advertise key educational materials and resources available to schools.
- **Teacher Outreach:** Attended two teacher conferences, including one where the trailer was brought on-site to allow educators to experience the 'mini barn' firsthand and gain a deeper understanding of what Poultry in Motion offers.

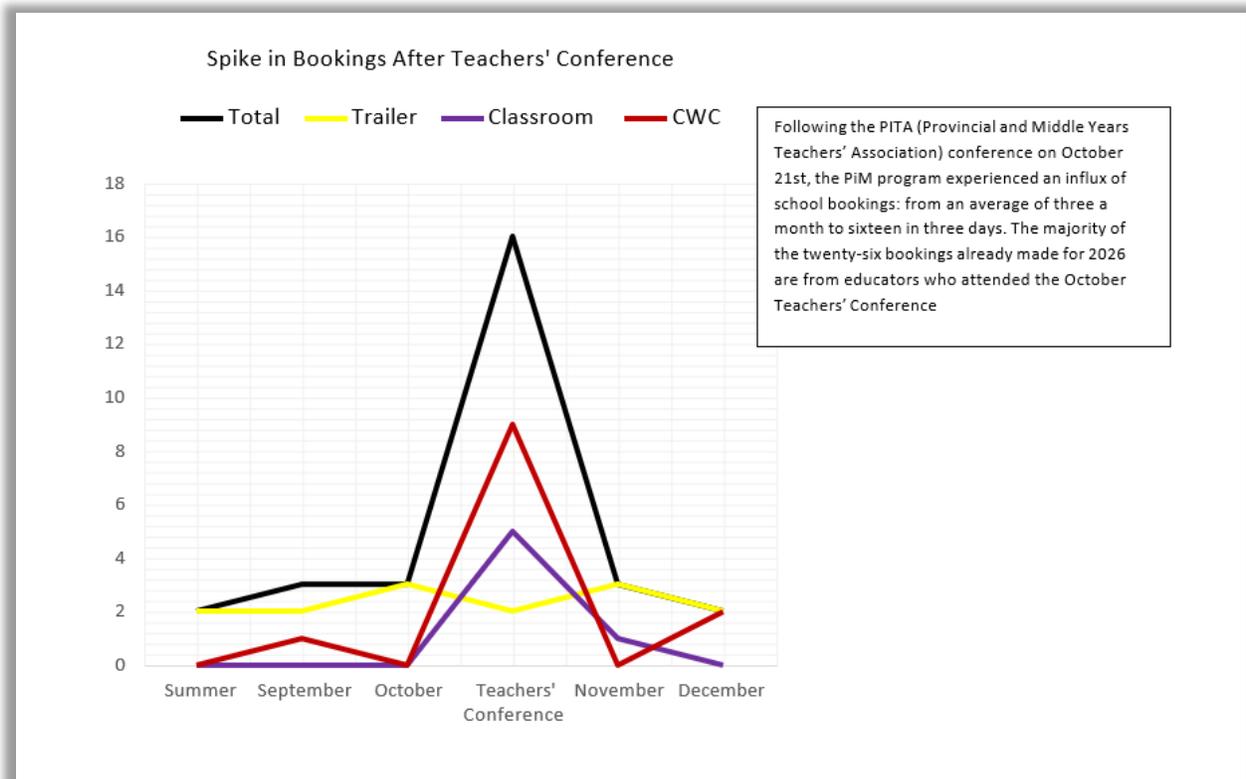
## 2025 Goals Achieved

1. Established a social media policy and launched a Poultry in Motion Instagram account.
2. Launched and continued development of the Classroom Presentations program.
3. Created a new PiM website, including multilingual capabilities, booking links, and downloadable lesson plans for teachers and educators.
4. Launched the interactive Spinning Wheel.
5. Introduced the Ambassador Program.
6. Continued developing the Trailer Operations Manuals, SOPs, and Communication plans.

## 2026 Goals Included

1. Continuing Ambassador Program development.
2. Growing social media connections and sharing our story through the PiM Instagram account.
3. Focusing on Vancouver Island growth by increasing classroom visits and trailer bookings.
4. Developing a new cookbook and two new recipe cards.
5. Attending two to four additional Teachers' Conferences.
6. Strengthening collaboration with Agriculture in the Classroom.

We are honoured to have the dedicated support of our marketing boards, commissions, associations, allied trades, and growers and producers, all of whom make the Poultry in Motion program possible. We look forward to continuing this collaborative work and reaching even more people across British Columbia in 2026.



IP Timeline & Distinct Unit Package.

The Quota Policy Review draft was circulated for stakeholder consultation.

The New Producer Program draft was released for stakeholder consultation.

The Regional Diversification Program draft was released for stakeholder consultation.

Lease Policy Review was completed.

The Commission benefitted from another successful year of support from our summer student.

All invited stakeholders were in attendance for the 2026–2028 Strategic Planning session.

Three producer meetings were conducted with strong participation from producers.

## BC Appeal Process

### Filing a Regulated Marketing Appeal with the British Columbia Farm Industry Review Board

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

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

### What is the British Columbia Farm Industry Review Board?

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

Originally known as the British Columbia Marketing Board (“BCMB”), BCFIRB was created in 1934 under the NPMA to supervise the commodity boards. Over the years, the role has been expanded and its authority has been redefined to address changes in the regulated marketing sector. BCFIRB is composed of up to ten members appointed by Lieutenant Governor-in-Council (LGIC). Board members’ backgrounds vary, with experience in production, marketing, law and education related to agricultural issues.

### How long do I have to appeal?

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

If an appeal is filed more than 30 days after the marketing board’s decision, the person filing the notice of appeal must explain what special circumstances exist that warrant BCFIRB accepting a late special appeal (see ATA s.24).

### Do I need legal counsel?

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

## Where do I send the appeal?

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

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

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

Email: [firb@gov.bc.ca](mailto:firb@gov.bc.ca)

Fax: 250-356-5131

## What should be included in the notice of appeal?

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

The notice of appeal must include the following:

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

BCFIRB's notice of appeal form can be used to file an appeal.

## What happens when the British Columbia Farm Industry Review Board receives the appeal?

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

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

BCFIRB will issue notice to the parties requiring them to attend a pre-hearing conference call. The purpose of the pre-hearing conference will be to clarify the issue of appeal and determine the position of each party as well as the remedies sought by the appellant.

The pre-hearing conference call will also be used to confirm hearing dates and directions for the appeal hearing. BCFIRB encourages parties to consider Alternative Dispute Resolution (ADR) to facilitate settlements of the matter under appeal and will assist the parties in establishing an ADR process. Parties can apply to BCFIRB requesting ADR.

Discussions about possible ADR alternatives will also be an agenda item for the pre-hearing conference. The hearing of your appeal will normally be held not more than 60 days after BCFIRB first receives your notice of appeal; however, these timelines will be dependent upon the circumstances of all the parties to the appeal.

### What is the most important thing for me to remember?

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

### How can I get more information?

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

More information on the appeal process is available on BCFIRB's website at:

[www.gov.bc.ca/BCFarmIndustryReviewBoard](http://www.gov.bc.ca/BCFarmIndustryReviewBoard)

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

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

Phone: 250-356-8945

Fax: 250-356-5131

Email: [firb@gov.bc.ca](mailto:firb@gov.bc.ca)

Financial Statements of

**BRITISH COLUMBIA  
BROILER HATCHING EGG  
COMMISSION**

And Independent Auditor's Report thereon  
Year ended December 31, 2025

T.J. HOLMGREN, CPA, INC  
CHARTERED PROFESSIONAL ACCOUNTANT

ACCOUNTING \* AUDITING \* INCOME TAX

#204 - 2180 Gladwin Road  
Abbotsford, B.C., V2S 0H4

Phone (604)853-5705

Fax (604)853-5736

email [trevorholmogren.cpa@gmail.com](mailto:trevorholmogren.cpa@gmail.com)

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of British Columbia Broiler Hatching Egg Commission

*Opinion*

I have audited the accompanying financial statements of the British Columbia Broiler Hatching Egg Commission (the "Commission"), which comprise the statements of financial position as at December 31, 2025, 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.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with 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 Auditors' Responsibilities of the Audit of the Financial Statements section of my report. I am independent of the Commission in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

*Management's Responsibility and those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

*Auditors' Responsibility 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 auditors' 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 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 judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Commission'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 Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditors' 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 auditors' report. However, future events or conditions may cause the Commission 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.

  
\_\_\_\_\_  
T.J. HOLMGREN, CPA, INC.

CHARTERED PROFESSIONAL ACCOUNTANT

Abbotsford, BC  
February 18, 2026

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Statement of Financial Position

December 31, 2025, with comparative information for 2024

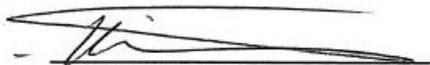
	2025	2024 Restated
<b>Assets</b>		
Current assets:		
Cash and short-term deposits (note 2)	\$ 3,690,717	\$ 3,498,643
Accounts receivable (note 3)	179,284	167,122
Prepaid expenses and deposits	15,297	16,842
	<u>3,885,298</u>	<u>3,682,607</u>
Term deposit held for security (notes 7 and 11)	158,000	159,000
Security deposit	54,160	54,160
Capital assets (note 4)	427,194	499,626
	<u>\$ 4,524,652</u>	<u>\$ 4,395,393</u>

## Liabilities and Net Assets

Current liability:		
Accounts payable and accrued liabilities (note 5)	\$ 156,695	\$ 179,771
Deferred lease obligation	37,845	43,510
	<u>194,540</u>	<u>223,281</u>
Net assets:		
Invested in capital assets (note 6)	427,194	499,626
Internally restricted (notes 2 and 7)	2,249,249	2,249,249
Unrestricted	1,653,669	1,423,237
	<u>4,330,112</u>	<u>4,172,112</u>
Contingencies (note 11)		
Commitments (note 12)		
	<u>\$ 4,524,652</u>	<u>\$ 4,395,393</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

  
Kevin Klippenstein  
Board Chair

  
Daniel Zylstra  
Chair, Audit & Finance Committee

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

## Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	2025	2024 Restated
Revenue:		
Producer levies (note 8)	\$ 1,947,471	\$ 1,816,917
Breaker Quality Eggs Program revenue (note 9)	764,053	612,412
Interest	117,734	174,784
Government grant revenue	48,934	43,039
Quality assurance revenue	10,162	68,974
Licenses, fees and services	3,043	3,994
Gain (loss) on disposal of capital assets (note 4)	(2,267)	77,628
	<u>2,889,130</u>	<u>2,797,748</u>
Expenses:		
Advertising and promotion	5,433	4,650
Amortization	71,470	76,334
Animal Health Lab	83,210	82,980
BC Poultry Conference	2,965	2,027
BCBHEP Association (note 15)	132,004	74,809
Breaker Quality Eggs Program expenses (note 9)	490,490	477,198
Canadian Hatching Egg Producers levy (note 8)	408,098	344,138
CHEP meetings	-	34,564
Directors' compensation	206,750	189,962
Emergency response (notes 12 and 14)	15,390	(3,258)
Insurance	19,939	20,565
Interest and bank charges	453	1,016
Legal and accounting	21,647	22,803
Office expenses	37,685	27,637
Office lease	57,764	55,700
Pricing expense	36,265	105,425
Professional services	14,077	9,132
Quality assurance expenses	30,424	172,381
Research and development, standards, biosecurity	29,185	25,497
SE project expenses	21,920	14,752
Technology	88,143	62,619
Telephone	8,251	8,045
Travel	52,674	47,833
Utilities	9,556	9,160
Wages and benefits (note 10)	887,337	774,584
	<u>2,731,130</u>	<u>2,640,553</u>
Excess of revenues over expenses	<u>\$ 158,000</u>	<u>\$ 157,195</u>

See accompanying notes to financial statements.

## BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Invested in capital assets (note 6)	Internally restricted (note 7)	Unrestricted	2025	2024 Restated
Net assets, beginning of year	\$ 499,626	\$ 2,249,249	\$ 1,423,237	\$ 4,172,112	\$ 4,014,917
Excess (deficiency) of revenues over expenses	(97,096)	65,104	189,992	158,000	157,195
Transfer of funds	-	(65,104)	65,104	-	-
Change in net assets invested in capital assets	24,664	-	(24,664)	-	-
Balance, end of year	\$ 427,194	\$ 2,249,249	\$ 1,653,669	\$ 4,330,112	\$ 4,172,112

See accompanying notes to financial statements.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

## Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024 Restated
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$ 158,000	\$ 157,195
Items not involving cash:		
Amortization of capital assets	94,829	80,506
Loss (gain) on disposal of capital assets	2,267	(77,628)
Change in non-cash operating working capital:		
Accounts receivable	(12,162)	(56,573)
Prepaid expenses and deposits	1,545	(4,298)
Accounts payable and accrued liabilities	(23,076)	16,910
Deferred lease obligation	(5,665)	(5,665)
	<u>215,738</u>	<u>110,447</u>
Financing:		
Purchase of term deposit	(158,000)	(159,000)
Proceeds on redemption of term deposit	159,000	156,000
	<u>1,000</u>	<u>(3,000)</u>
Investing:		
Purchase of capital assets	(24,664)	(122,500)
Proceeds on disposal of capital assets	-	81,133
	<u>(24,664)</u>	<u>(41,367)</u>
Increase in cash and short-term deposits	192,074	66,080
Cash and short-term deposits, beginning of year	3,498,643	3,432,563
Cash and short-term deposits, end of year	<u>\$ 3,690,717</u>	<u>\$ 3,498,643</u>

See accompanying notes to financial statements.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## General:

British Columbia Broiler Hatching Egg Commission (the "Commission") was incorporated under an order of the Lieutenant Governor in council of the province of British Columbia on October 27, 1988. The Commission's functions include setting production policy, pricing, processing and marketing of broiler hatching eggs within British Columbia. It also represents the Canadian Hatching Egg Producers in the administration of eggs in interprovincial and export trade. The Commission is a not-for-profit organization and is not taxable under the Income Tax Act.

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The Commission's significant accounting policies are as follows:

### (a) Revenue recognition:

The Commission follows the deferral method of accounting for contributions which include levies and other revenues.

Producer levies, Breaker Quality Egg Program revenue, licenses and fees, and unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

Interest income is recognized on a time proportional basis. Interest income earned on internally restricted funds is available to the Unrestricted Fund for operations.

Externally restricted contributions are recorded as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related asset.

### (b) Cash and short-term deposits:

Cash and short-term deposits include balances with banks and short-term investments that are redeemable at the option of the Commission for a known amount of cash.

Term deposits subject to restrictions that prevent its use for current purposes are included in the Reserve for the Unforeseen.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 1. Significant accounting policies (continued):

### (c) Fund accounting:

Revenues, expenses, assets and liabilities related to operations and the Breaker Quality Egg Program are reported in the Unrestricted Fund.

The Invested in Capital Asset Fund reports the revenues, expenses, assets and liabilities related to capital assets.

Revenues, expenses, assets and liabilities related to the Reserve for the Unforeseen and the Truck Fund are reported in the Internally Restricted Fund.

### (d) Allocation of expenses:

The Commission operates the Breaker Quality Eggs Program which collects eggs that are of breaker quality but not destined for the hatchery; farm gate sales are not permitted per the Consolidated Order. Producers' breaker quality eggs are graded and delivered for further processing. The Commission specifically identifies expenses relating to this Program. Remunerations are allocated to the Program by specific identification based on time spent and employment rates. Remuneration for general operations are shown in the statement of operations; remuneration for the Program are disclosed in the schedule of costs.

### (e) Capital assets:

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life or improve the service potential of an asset are capitalized.

The Commission reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Commission's ability to provide goods and services, or that the value of the future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 1. Significant accounting policies (continued):

(e) Capital assets (continued):

Amortization has been recorded as follows:

Asset	Basis	Rate
Computer hardware	Declining balance	30%
Computer software	Declining balance	30%
Truck - breaker quality eggs program	Declining balance	30%
General equipment and supplies - breaker quality eggs program	Declining balance	20%
Office equipment	Declining balance	20%
Leasehold improvements	Straight-line	10 years

(f) Deferred lease obligation:

Deferred lease obligation relates to step-rent payments on leased premises and any lease inducements received. The liability represents the difference between the straight-line rent expense and the actual rent payments paid, and the straight-line recognition of lease inducements over the term of the lease.

(g) Use of estimates:

The preparation of the financial statements in accordance with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and the reported amounts of revenue and expenses during the reporting period, such as the useful life and amortization of capital assets and allowance for doubtful accounts. Actual results could differ from those estimates.

(h) Employee future benefits:

The Commission has a defined contribution plan providing pension benefits for its employees. The cost of the plan is recognized based on the contributions required to be made during each period.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 1. Significant accounting policies (continued):

### (i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Commission has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Commission determines if there is a significant adverse change in the expected amount or timing of future cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount that the Commission expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

## 2. Cash and short-term deposits:

Cash and short-term deposits are internally restricted as follows:

	2025	2024
Internally restricted	\$ 2,249,249	\$ 2,249,249
Cash available for operations	1,441,468	1,249,394
	<u>\$ 3,690,717</u>	<u>\$ 3,498,643</u>

The Board of Directors of the Commission has restricted net assets for specific purposes as disclosed in note 7.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

### 3. Accounts receivable:

Included in accounts receivable is an allowance of \$nil (2024 - \$nil) for doubtful accounts.

### 4. Tangible capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Computer hardware	\$ 62,449	\$ 34,864	\$ 27,585	\$ 13,463
Computer software	149,265	79,477	69,788	99,700
Truck - Breaker Quality Eggs Program	80,250	26,060	54,190	77,414
General equipment and supplies - Breaker Quality Eggs Program	37,457	36,918	539	674
Office equipment	68,299	48,743	19,556	24,445
Leasehold improvements	453,466	197,930	255,536	283,930
	\$ 851,186	\$ 423,992	\$ 427,194	\$ 499,626

The Commission has replaced certain computer hardware in the year in the normal course of operations.

### 5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$31,923 (2024 - \$22,296), which includes amounts payable for GST and payroll related taxes.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

## 6. Invested in capital assets:

(a) Invested in capital assets is calculated as follows:

	2025	2024
Capital assets	\$ 427,194	\$ 499,626
	<u>\$ 427,194</u>	<u>\$ 499,626</u>

(b) Deficiency of revenue over expenses:

	2025	2024
Amortization of capital assets	\$ (94,829)	\$ (80,506)
Gain (loss) on disposal of capital assets	(2,267)	77,628
	<u>\$ (97,096)</u>	<u>\$ (2,878)</u>

(c) Change in net assets invested in capital assets:

	2025	2024
Purchases of capital assets	\$ 24,664	\$ 122,500
Proceeds on disposal of capital assets	-	(81,133)
	<u>\$ 24,664</u>	<u>\$ 41,367</u>

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

## 7. Internally restricted:

	2025	2024
Reserve for the Unforeseen:		
Cash and short-term deposits	\$ 2,011,249	\$ 2,010,249
Term deposit held for security (note 11)	158,000	159,000
	<u>2,169,249</u>	<u>2,169,249</u>
Truck Fund	80,000	80,000
	<u>\$ 2,249,249</u>	<u>\$ 2,249,249</u>

The Reserve for the Unforeseen contains cash and short-term deposits set aside and available to the Commission for its operations in the event levies decreased substantially, and for Avian Influenza and S.E. insurance seed funds.

The Truck Fund is for the replacement of the Breaker Quality Eggs Program truck for which there is no estimated timeline.

The Commission has approved interfund transfers from the Internally Restricted Fund to the Unrestricted Fund for interest income earned on internally restricted funds. The transfer of funds represents the total of interest earned and made available for general operations.

## 8. Producer levies:

The total levy assessed to registered mainstream producers was increased from 2.0 cents per saleable chick to 2.1 cents per saleable chick effective September 21, 2025 (2024 - 2.0 cents per saleable chick).

The total levy assessed to registered specialty producers was increased from 1.5 cents per saleable chick to 2.0 cents per saleable chick effective July 27, 2025, and increased to 2.1 cents per saleable chick effective September 21, 2025 (2024 - 1.5 cents per saleable chick).

Included in the total levy is a national levy of 0.30 cents per egg set which increased to 0.34 cents per egg set effective January 27, 2025 (2024 - 0.30 cents per egg set), paid or payable to the Canadian Hatching Egg Producers.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

## 9. Breaker quality eggs program:

	2025	2024
Breaker quality eggs revenue	\$ 764,053	\$ 612,412
Expenses:		
Amortization	23,359	4,172
Cooler and warehousing	8,000	4,800
Egg waste disposal	3,488	3,305
Fuel	8,569	8,753
Levies	71,375	71,798
Miscellaneous supplies	6,946	9,273
Producer payments	227,727	217,128
Truck maintenance	13,846	21,024
Wages and benefits	127,180	136,945
	490,490	477,198
	\$ 273,563	\$ 135,214

## 10. Employee pension plan:

The Commission has a defined contribution pension plan for its full-time employees. Annual contributions to the plan are based on 10% of annual salaries for each employee. Total contributions paid in 2025 were \$76,032 (2024 - \$69,861).

## 11. Contingencies:

The Canadian Hatching Egg Producers ("CHEP") requires that the Commission have sufficient funds or letters of credit to cover potential future assessments of liquidated damages at 17.5 cents per egg for production greater than allocation and up to 8.0 cents per egg for production less than allocation on a province by province basis.

At present, the Commission has a \$158,000 guaranteed investment certificate assigned as security to CHEP (2024 - \$159,000). Production levels for the year ended December 31, 2025 indicate the Commission is within the allowed 10% sleeve of over production (2.5% sleeve of underproduction) including any temporary allocation adjustments, and accordingly no draw has been required on the guaranteed investment certificate.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 12. Commitments:

The Commission has a ten-year operating lease commitment related to its current premise which commenced January 14, 2020, with an option to extend the lease for a further ten years. Minimum lease expenditures over the next five years as follows:

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2026	\$	35,442
2027		35,442
2028		35,442
2029		35,442
2030		1,477
Thereafter		-
	\$	143,245

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Additional lease charges (triple net) for property tax, and common area and maintenance are in addition to minimum lease expenditures and estimated at \$24,354 annually.

In 2024, the Commission signed a Memorandum of Understanding to share the cost of expenses of the Emergency Operations Centre of the BC Poultry Association, collectively with the BC Chicken Marketing Board, BC Egg Marketing Board and BC Turkey Marketing Board. The Commission's share of expenses is estimated to be \$31,000 in 2026.

On August 1, 2025, the Commission renewed a lease on a printer for an additional three year term at \$357 per quarter (\$1,428 per year).

## 13. Financial risks:

### (a) Liquidity risk:

Liquidity risk is the risk that the Commission will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Commission manages its liquidity risk by monitoring its operating requirements. The Commission prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 13. Financial risks (continued):

### (b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Commission deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Commission assesses the credit risk of customers on a continuous basis and provides for any amounts that are not collectible in the allowance for doubtful accounts.

### (c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission is exposed to interest rate risk with respect to its cash and fixed income securities which fluctuate due to changes in market interest rates.

There has been no change to the risk exposures from the prior year, aside from events impacting production (note 14).

## 14. Events impacting production:

Avian Influenza has had a significant impact on domestic hatching egg production in British Columbia. The situation is dynamic and the ultimate duration and magnitude of the Avian Influenza event and the financial effect on our operations is not known at this time. As at January 23, 2026, the Commission estimates a production loss of 10.3 million domestic hatching eggs in 2026 resulting in a loss of levy revenue of approximately \$173,000 and a reduction in CHEP levy expense of approximately \$39,000.

In June 2025, there was a fire that impacted one producer premise. As at January 23, 2026, the Commission estimates a production loss of 7.4 million domestic hatching eggs in 2026 resulting in a loss of levy revenue of approximately \$124,000 and a reduction in CHEP levy expense of approximately \$28,000.

Further, in December 2025, a flood occurred that impacted two producer premises. As at January 23, 2026, the Commission estimates a production loss of 4.2 million domestic hatching eggs in 2026 resulting in a loss of levy revenue of approximately \$70,000 and a reduction in CHEP levy expense of approximately \$16,000.

# BRITISH COLUMBIA BROILER HATCHING EGG COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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## 15. Related party transactions - significant influence:

An operating grant was provided to the BC Broiler Hatching Egg Producers' Association, an entity related by virtue of the Commission having significant influence over the Association. The operating grant provided totalled \$132,004 (2024 - \$74,809).

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

## 16. Comparative figures:

Certain comparative figures have been restated to conform to the financial statement presentation adopted in the current year.

## 17. Correction of error:

During the year it was discovered that CHEP levies relating to sets of 2024 production of specialty and mainstream broiler hatching eggs were understated by \$16,786 and \$4,153, respectively. Prior period figures have been restated to include these additional expenses payable. Accordingly, this correction has increased both accounts payable and accrued liabilities and Canadian Hatching Egg Producers levy expense by \$20,939, and decreased both excess of revenues over expenses and ending net assets by \$20,939, in 2024.

Financial Statements of

**B.C. BROILER HATCHING EGG  
PRODUCERS ASSOCIATION**

And Independent Practitioner's Review Engagement Report  
thereon

Year ended December 31, 2025



**KPMG LLP**  
32575 Simon Avenue  
Abbotsford, BC V2T 4W6  
Canada  
Telephone (604) 854 2200  
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## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

To the Directors of B.C. Broiler Hatching Egg Producers Association

We have reviewed the accompanying financial statements of B.C. Broiler Hatching Egg Producers Association, which comprise the statement of financial position as at December 31, 2025, the statement of operations and changes in net assets, and statement of cash flows for the year then ended, and notes, comprising 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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



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*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of B.C. Broiler Hatching Egg Producers Association as at December 31, 2025, 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.

*KPMG LLP*

Chartered Professional Accountants

Abbotsford, Canada

March 3, 2026

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

## Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
<b>Assets</b>		
Current assets:		
Cash	\$ 62,715	\$ 199,676
Trade receivables (note 3)	54,319	130
Inventories	3,199	5,365
Prepaid expenses	-	1,092
	<u>120,233</u>	<u>206,263</u>
Tangible capital assets (note 2)	1,415	1,908
	<u>\$ 121,648</u>	<u>\$ 208,171</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 3)	\$ 100,983	\$ 27,647
Deferred contributions (note 3)	3,297	166,638
	<u>104,280</u>	<u>194,285</u>
Net assets	17,368	13,886
	<u>\$ 121,648</u>	<u>\$ 208,171</u>

See accompanying notes to financial statements.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

Statement of Operations and Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Commission grant income (note 4)	\$ 132,004	\$ 74,809
Grant revenue (note 3)	367,659	83,362
	<u>499,663</u>	<u>158,171</u>
Expenses:		
Grant expenses (note 3)	367,659	83,362
Special events	46,471	26,393
Directors - per diems	25,178	25,816
Memberships	21,443	13,485
Professional fees	11,559	5,168
Secretary expense	6,895	9,530
Advertising	5,250	8,509
Strategic planning	3,992	8,063
Travel	2,643	2,583
Salaries and benefits	1,686	2,043
Office and general	1,503	808
Insurance	1,092	1,092
Amortization of tangible capital assets	493	493
Interest and bank charges	317	212
	<u>496,181</u>	<u>187,557</u>
Excess (deficiency) of revenue over expenses	3,482	(29,386)
Net assets, beginning of year	13,886	43,272
Net assets, end of year	<u>\$ 17,368</u>	<u>\$ 13,886</u>

See accompanying notes to financial statements.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

Statement of Operations and Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Commission grant income (note 4)	\$ 132,004	\$ 74,809
Grant revenue (note 3)	367,659	83,362
	<u>499,663</u>	<u>158,171</u>
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	<u>496,181</u>	<u>187,557</u>
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Net assets, beginning of year	13,886	43,272
Net assets, end of year	<u>\$ 17,368</u>	<u>\$ 13,886</u>

See accompanying notes to financial statements.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

## Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 3,482	\$ (29,386)
Item not involving cash:		
Amortization of tangible capital assets	493	493
Changes in non-cash operating working capital:		
Accounts receivable	(54,189)	75
Inventories	2,166	551
Prepaid expenses	1,092	-
Accounts payable and accrued liabilities	73,336	1,766
Deferred contributions	(163,341)	(83,362)
Decrease in cash	(136,961)	(109,863)
Cash, beginning of year	199,676	309,539
Cash, end of year	\$ 62,715	\$ 199,676

See accompanying notes to financial statements.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

Notes to Financial Statements

Year ended December 31, 2025

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## Nature of operations:

B.C. Broiler Hatching Egg Producers Association (the "Association") is organized to provide representation from the hatching egg producers to the poultry industry. The Association is incorporated under the Societies Act (British Columbia) and is a not-for-profit organization under the Income Tax Act. Accordingly the Association is exempt from income taxes provided certain requirements of the Income Tax Act are met.

## 1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Inventories:

Inventories consists of literature and audio-visual materials and are valued at the lower of the original purchase price and replacement cost.

(b) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the capital asset is amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Rate
Computer equipment	5 years

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

When events or circumstances indicate that a tangible capital asset no longer has any longterm service potential, the net carrying amount is written down to the residual value of the asset. No write-downs were determined to be necessary during the current year.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

## 1. Significant accounting policies (continued):

### (c) Revenue recognition:

The Association follows the deferral method of accounting for revenues which include grants and other revenues. Contributions for specific purposes or programs are deferred and subsequently recognized as revenue at the time the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

### (d) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of property, plant and equipment; provisions for impairment of trade accounts receivable; future income taxes; and assets and obligations related to employee future benefits. Actual results could differ from those estimates.

## 2. Tangible capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Computer	2,463	1,048	1,415	1,908

## 3. Deferred contributions:

Deferred contributions relates to grant funding received from the Investment Agriculture Foundation for the Farmed Animal Disease Response Fund project. The total amount expected to be received for the project is up to \$500,000. During the year, the Association spent \$367,659 (2024 - \$83,362) related to the project.

Included in trade receivables is \$54,319 of funding to be collected from Investment Agriculture Foundation and included in accounts payable is \$54,319 payable to producers.

# B.C. BROILER HATCHING EGG PRODUCERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

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#### **4. Economic dependence - British Columbia Broiler Hatching Egg Commission:**

A substantial amount of the Association's revenue is derived from the British Columbia Broiler Hatching Egg Commission (the "Commission"). Grant income received from the Commission of \$132,004 (2024 - \$74,809) is based on the budgetary requirements of the Association which is determined on an annual basis.

#### **5. Liquidity risk:**

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from the prior year.