



2020 CORPORATE PROFILE

FROM THE CHAIR





DAVE HOPE OPVG Chair

It would be impossible to review 2020 activities for OPVG without talking about COVID-19, the worldwide pandemic that triggered tremendous challenges for our sector. We know the implications and practices developed out of necessity are likely to continue for some time. At OPVG, we quickly made changes to the day-to-day operations of our office with new policies to ensure staff provided necessary services with remote working options. We shared up-to-date information for members that were coordinated through Ontario Fruit and Vegetable Growers Association (OFVGA). I also participated in the provincial COVID-19 task force though OMAFRA to address ongoing issues for the sector including labour and resources.

Pandemic aside, it was a very productive year for our organization on many fronts. At a top level, we entered into strategic partnerships with Canadian Horticulture Council, Ontario Fruit and Vegetable Growers Association, and the World Processing Tomato Council – decisions that will extend the reach of OPVG.

I am very pleased to report that because of our fiscal responsibility, we were able to reduce fees for tomatoes and carrots. We assessed and adjusted our internal operation costs and were able to make these changes to reflect savings we realized within the organization.

On the regulatory and governance side, we have adopted two new regulations (440 and 441) and created new regulations and bylaws as a result. We have reviewed and revised our Board governance and operational policies, with approximately 50 new policies adopted by the Board. We underwent our first Farm Products Marketing Commission (FPMC) review in more than five years, in 2020. The review assessed Board governance, financials, strategic approach to planning and provided a forum to exchange information. The FPMC welcomed Amy Cronin as its new Chair in 2020, and we look forward to continued success under her guidance and leadership.

As part of the new governance, we created an electoral committee to ensure effective and timely governance by OPVG for elections of 2020 Board Member positions under Regulation 441. We created an Executive Committee to provide guidance to the OPVG Chair and General Manager on emerging, time-sensitive issues that arise between meetings of the Board. We have also completed a human resource review to ensure we have all the necessary skills to continue to drive our organization, today and into the future.

To ensure Canada is represented on the international processing tomato front, OPVG made a strategic decision to cover all fees for Canada to be part of the World Processing Tomato Council – an organization that represents 95% of the world tomato crop, and the only effective mechanism that exists to exchange information on tomatoes. Here at home, we successfully negotiated agreements with tomato processors to coordinate grading, acreage measurement, and tissue sampling and the Spray Hub app. Cost-saving measures on these programs resulted in a reduction of tomato fees by 11 cents for 2020.

When it comes to marketing within the organization – you will all have seen the new, standardized OPVG e-newsletter – another way we can quickly and effectively share information and updates with members. For consumer promotion, we extended the existing Fields to Forks campaign into the Windsor region, working with processors to create a positive consumer message that supports growers and processors in Ontario. It's another way to promote products made fresh from the field in frozen, canned or prepared packages.

Many agricultural groups are evaluating conferences, particularly in light of COVID-19, and we are also making changes to our industry event. We believe we need a new approach for delivering technology, research and the business of OPVG to our members. We have implemented a business style annual general meeting for 2021 and are working on new formats for technology transfer events.

Research is the backbone of our industry, and OPVG continues to contribute more than \$100,000 to Ontario crop research each year and provide research administration services for the more than 26 research projects funded in 2020.

Despite the global challenges that 2020 brought, I am proud of the work OPVG has accomplished for our sector and our collective ability to adapt to change, improving and innovating as we go.

If you have any input, feedback or ideas you would like to share, please contact me via the OPVG office.

Dave Hope



INSIDE OPVG AND ONTARIO'S PROCESSING VEGETABLE INDUSTRY

The OPVG is a not-for-profit agricultural organization that represents nearly 346 Ontario processing vegetable growers who produce crops for the canning, freezing and pickling industry.



Our members grow crops for Ontario's 13 food and beverage processors for the retail, food service and industrial markets. OPVG is governed by a Board of eight vegetable growers and has a full-time staff of four.

Southern Ontario is home to most vegetable growers. They deliver their crop to processors that add value to these crops by transforming them into vegetable mixes, sauces, soups, juice, ketchup and onion rings through freezing and canning. Ontario's field cucumber crop is almost entirely destined to the United States market for processing, with significant volumes returned to Canada as finished goods.

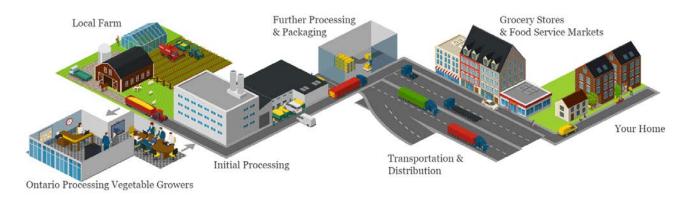
Ontario's processing vegetable sector is strategically located in a part of the province with the soil, sunshine and water access needed to grow a high quality crop and the 401 highway that provides a corridor for our vegetables and finished goods to be moved quickly and efficiently within Canada and across into the United States.

346 family-owned members grow **14** different processing vegetable crops that generate more than **\$97** million in total farm gate value and supply **13 Ontario** food and beverage processors.

In 2020, the total farm gate value of field vegetables for processing in Ontario was over \$97 million. When this is translated into the value of finished goods at 7x the farm gate value, it is more than \$610 million to the Ontario economy.

OPVG plays a vital role in the annual negotiation process for processing vegetables in Ontario – ensuring a fair farm price for growers and a competitively priced raw product for processors.

PROCESSING VEGETABLES PRODUCTION CHAIN





Grassroots governance

OPVG represents the interests of growers, their crops and the sustainability of this unique Ontario industry, and operates under Regulation 440, Vegetables For Processing Marketing and Regulation 441, Vegetables For Processing Plan of the *Ontario Farm Products Marketing Act*.

As a grassroots industry organization, OPVG coordinates processing vegetable crop research, grower education and outreach support, product marketing and promotion. OPVG also advocates on behalf of our members with government on issues impacting the day-to-day farm operations that include crop protection regulations, labour, business risk management programs and environmental practices.

District and provincial representation

Grower members are organized into three districts, based on their farm location. OPVG has two levels of representation – district and provincial. Both groups meet regularly to discuss industry issues, tour farms and processing plants, learn about new crop research and innovation, and elect district and provincial representatives.

OPVG is a progressive organization that prioritizes good governance, confidentiality and professionalism – and takes these very seriously. Every year elected provincial directors and officers all sign a Code of Conduct and Conflict of Interest declaration.

District representation (district committee members) is elected at a ratio of one committee member for every 20 growers, or minimum of 10.

Provincial representation (provincial directors) As per Regulation 441, the Chair of the Board is appointed by the Ontario Farm Products Marketing Commission and eight directors are elected to form a nine-person Board. The provincial executive is made of three positions – Chair, 1st Vice Chair and 2nd Vice Chair.

To be eligible to be nominated or entitled to a vote, a person must be a producer as defined by Regulation 441 under the *Ontario Farm Products Marketing Act* and be a resident of the district.



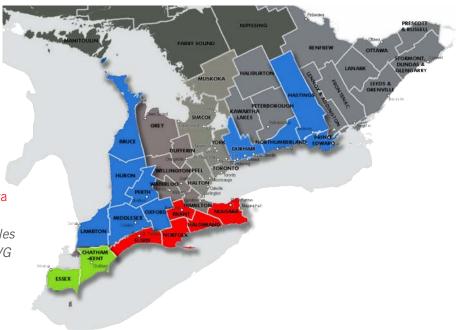


OPVG districts

Ontario's diverse climate means processing vegetables are grown in segmented regions of the province. As a result, grower representation to the OPVG is divided into three districts. The organization strictly follows the rules of representation and election outlined in OPVG's constitution and adheres to all requirements within Regulation 441, Vegetables For Processing Plan, under the *Ontario Farm Products Marketing Act*.

- 1 Counties of Essex & Kent
- 2 Counties of Huron, Perth, Bruce, Lambton, Oxford, Middlesex, Hastings, Northumberland, Prince Edward and Regional Municipality of Durham
- 3 Counties of Brant, Elgin & Regional Municipalities of Haldimand-Norfolk, Niagara

Note: If a grower produces processing vegetables outside of the counties listed in the three OPVG districts, they are assigned to the district committee closest to their farm.



Local research support

OPVG supports ongoing research projects that are relevant and add value to the processing vegetable industry in Ontario. Through a **research partnership with Bonduelle**, a formalized funding agreement for peas, beans and corn has been created where both parties jointly review and fund projects of interest related to the industry.

The **Ontario Cucumber Research Committee** was established in 2003. The committee includes representatives from OPVG and Hartung Brothers Inc. The purpose is to guide and fund research related to processing cucumbers and is based on \$0.60 /ton commitment. The committee approved funding for seven projects in 2020 totaling **\$40,101**.

The **Ontario Tomato Research Institute** (OTRI) was created in 1997 for the purpose of coordinating and funding research projects related to all aspects of processing tomatoes. OTRI approved funding for 11 projects in 2020 totaling **\$125,985**. The tomato research fund is \$0.10 /ton.

In 2020, the **Vegetable Research Committee** approved funding for eight projects totaling **\$36,050**. Funding for these projects is split 50/50 and each crop has a different funding allocation.



MARKET/CROP INFORMATION

Despite the challenges associated with COVID-19 and Mother Nature, growers and processors worked together for a successful crop year in 2020.

CARROT HARVEST resulted in approximately **2.26%** over contract tonnage.

CUCUMBER HARVEST was down approximately **10.84%** from contracted tons, due to labour challenges.

GREEN AND WAX BEAN HARVEST produced **45.3%** over contracted acreage.

GREEN PEA HARVEST acreage was slightly below those contracted at **-0.97%**.

LIMA BEAN HARVEST acres were **2.68%** more than acres contracted.

ONION HARVEST tons were down **40.5%** over contract tonnage.

SQUASH HARVEST resulted in **2.09%** more tons over those contracted.

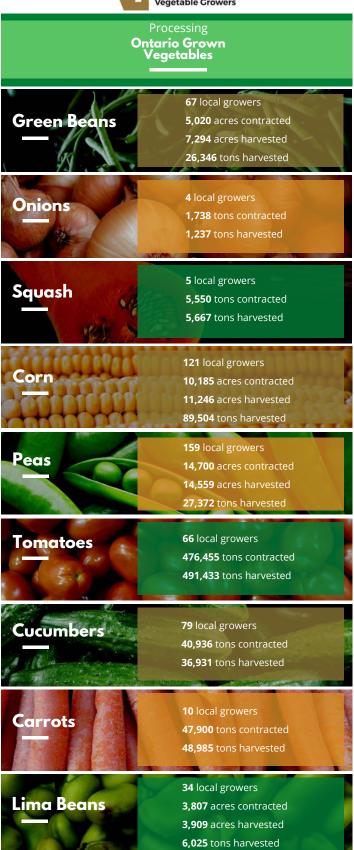
SWEET CORN HARVEST acres were up **10.42%** over contracted acreage.





OPVG FACT SHEET







MARKETING AND PROMOTION

Fields to Forks

OPVG, in partnership with the Ontario Fruit & Vegetable Processors Association (OFVPA), have funded the Fields to Forks campaign for four years to promote shelf-ready product made from Ontario processing vegetables.

This year, the program was expanded into new markets in the Windsor region, working with processors to create a positive consumer message. We reinforced how Ontario produce is picked at its peak and processed within hours to lock in flavour and nutrients. We acknowledge the work growers and processors are doing for the sector to keep shelves stocked during these challenging times, and thank consumers for their continued support for buying Ontario.



Website

The OPVG website has a fresh look that improves the user's experience and functions seamlessly across all devices.

Our site has an engaging, easy-to-use design with information for OPVG members and potential members, and is built for future growth and feature optimizations to improve organic search engine rankings.

There are clear "calls to action" to guide users to important areas of the site including news and events. News features include updates that can be filtered by crop, and when users are within crop specific pages, they only see news specific to their crop.



Member advocacy

OPVG advocates on behalf of our members with government on issues impacting the day-to-day farm operations including crop protection regulations, labour, business risk management programs and environmental practices. In 2020, OPVG extended its reach by entering into new strategic partnerships with the Canadian Horticulture Council, Ontario Fruit and Vegetable Growers Association, and the World Processing Tomato Council.

Bursary awards

Bursaries support new individuals who have the interest, skill and abilities to further develop and grow the vegetable processing sector of Ontario's agri-food economy.

Since 2001, the Ontario Processing Vegetable Industry Bursary has provided more than \$193,000 to Ontario students. The bursaries were initially established by OPVG and the Ontario Fruit & Vegetable Processors Association. Currently, the annual bursaries provide financial assistance to help students pay for tuition, living expenses, food and educational experiences. Bursaries also give students time to focus on school and engage in volunteer opportunities and extracurricular activities.

- Jim Whitson Memorial Bursary awards \$2,000 annually
- **Ken Epp Memorial Bursary** awards \$1,000 annually





AgScape 2020 Report

2020 was an incredible year for AgScape as an organization. Incredible due to our successes, and more importantly, it was an incredible demonstration of our ability to rally together as a team to react to the many challenges that the year presented us with.

While teaching may not have looked the same in 2020, thanks to our supporters our team was able to pivot quickly in shifting all of our programs to be available for virtual delivery, including new programs like our AgScape Virtual Camp, geared specifically for students to take part in at their own pace while at home. As a result, our programs and resources reached over 5,000 teachers and 400,000 students last year, with over 35,000 resources downloaded, distributed, viewed or accessed focusing on agriculture education.

Teachers, adapting to this new virtual teaching environment, are eager to use new online resources. Incredibly, despite the uncertainty within the world of teaching this year, 1,400 additional teachers made use of our resources and programs in 2020 versus 2019. This corresponded with a significant increase in web traffic, with over 10,000 additional users accessing AgScape's website and 12,000 additional visits.

With school closures from March to June and pivoting to new modes of delivery, our student reach is less than last year, but we did see a definite spike in reach with the beginning of the new school year. We are encouraged by the potential to continue growth with our new virtual modes of delivery now fully set up, and the demand for online educational experiences increasing, which has the added benefit of allowing us to expand the reach of our programs further across Ontario than ever before. Despite those challenges, we reached 400,000 students, and the future of agri-food education in Ontario is an exciting one.

Our Teacher Ambassador Program's relaunch for virtual delivery with the reopening of schools in September 2020 was well received, with over 197 lessons delivered, reaching over 4,500 students so far. We have been working to adapt our ThinkAG Career Competitions using video conferencing platforms. With those in place, we hope to re-engage agriculture industry professionals to be an essential part of our event by sharing their knowledge and experience in our sector with students. All in all, despite 2020's challenges, it has continued to be an exciting year for AgScape in the ways it has allowed us to innovate and the growth it has allowed us to achieve in new areas.

For more information about our programs or how to become a sponsor, please visit our website www.AgScape.ca





2020 Year in Review

As COVID-19 realities landed early in 2020, Farm & Food Care Ontario (FFCO) was faced with some challenging but necessary decisions to cancel all planned physical events for the year. FFCO was able to shift strategies and activate a number of meaningful virtual programs that made this a remarkably successful year, despite the complicated circumstances.

Key to that success was the continued support of Silver Members like the Ontario Processing Vegetable Growers. Here are some highlights of FFCO's activities in 2020.

The Real Dirt on Farming The fifth edition of The Real Dirt on Farming, released in November, includes updated or expanded explanations of crop protection, genetic engineering, pollinator health, farm labour and much more. A new, interactive website (www.RealDirtonFarming.ca) will provide opportunities for digital learning and content sharing, and can be updated to reflect advances in science, global events and changing consumer questions over time. Readers will be introduced to 32 diverse agriculture career profiles including a Seasonal Agricultural worker, fruit and vegetable grower, potato farmer and entomologist.

FarmFood360° The addition of three new farm tours capped off a tremendous year for FarmFood360°. This immersive technology allows Canadians to tour farms and food processing facilities using virtual reality (VR) headsets, and mobile and desktop devices. These tours were a natural fit for the thousands of teachers and students transitioning to online learning and agricultural organizations seeking to connect with consumers virtually in 2020. As a result, the website (www.FarmFood360.ca) welcomed over 835,000 users and 2.95 million page views in 2020, a 1222 per cent and 470 per cent increase over 2019 respectively.

Farm to Facebook A move to online learning sparked a partnership between FFCO and AgScape to offer a series of Facebook Live farm tours throughout 2020. Farm to Facebook allows viewers, including students and teachers, to connect with farmers in real-time. 17 tours were hosted by farmers and agribusinesses of all types from across the province and attracted upwards of 93,429 views.

Faces Behind Food Faces Behind Food continues to highlight the diversity of people and career opportunities within the Canadian agri-food system. In 2020, 104 people were profiled for a growing audience @FacesBehindFood, including many growers and seasonal agricultural workers. Faces Behind Food also received recognition at the Best of CAMA awards with a Certificate of Merit in the category "Social Media Campaign Directed at the General Public".

To learn more, visit www.FarmFoodCareON.org and subscribe to the monthly e-newsletter.





2020 Crop Protection Section Report

Despite the ongoing challenges with COVID-19, the crop protection section is pleased to report progress on several initiatives in the past year. Specific challenges remain in certain areas which OFVGA will continue to advocate for in 2021.

Successes in 2020 include:

- Ending duplicate pesticide classification in Ontario
- The Pest Management Regulatory Agency (PMRA) proposing new re-evaluation model
- Clarification of end use dates on products amended following re-evaluation decisions

Challenges ahead include:

- Reduced capacity of the Minor Use Pesticides Program (MUPP) to help register new products
- Transitioning the position of Ontario's Provincial Minor Use Coordinator Jim Chaput

Re-Evaluation Summary

The past year saw another round of key final re-evaluation decisions from PMRA. While some uses were unfortunately lost, several active ingredients that were previously proposed for complete cancellation ultimately retained continued use on some crops including mancozeb (Manzate), phosmet (Imidan), and linuron (Lorox). This was undoubtedly a result of significant efforts and collaboration by growers, grower organizations, and registrants to update and refine the information used in the risk assessments. These active ingredients would have been cancelled if not for these initiatives and lessons have been learned that we can apply to future re-evaluations.

Final decisions were also issued for thiophanate-methyl (Senator), ethephon (Ethrel), acephate (Orthene), dimethomorph (Forum/Zampro), and folpet (Folpan) that allowed for continued use on some crops with label amendments required. Finally, despite grower and registrant best efforts, all uses of chlorpyrifos (Lorsban) and dichlorvos (DDVP) have been cancelled. This will leave a significant gap in management programs for some crops.

Several more important final re-evaluation decisions are expected in 2021 including on neonicotinoids, lambda-cyhalothrin (Matador), and naled (Dibrom). While initial decisions related to pollinators have already imposed restrictions on some neonicotinoids, the upcoming decisions could add additional restrictions to other crops and on seed and in-furrow uses which are important in several crops. The OFVGA will be paying close attention to these publications.

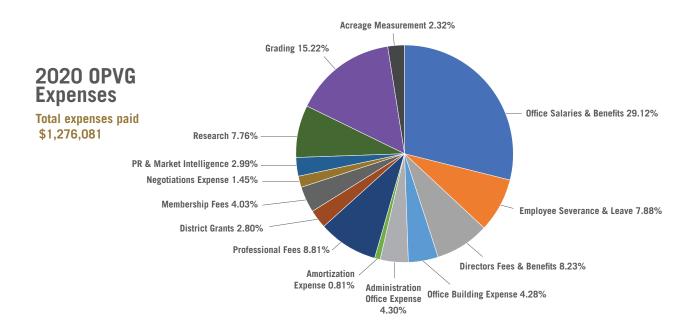
The complete OFVGA report can be found at this link http://thegrower.org/sites/default/files/pdf-archives/Grower February%202021 web.pdf on page 26.

For more information about the OFVGA, please go to our website at www.ofvga.org



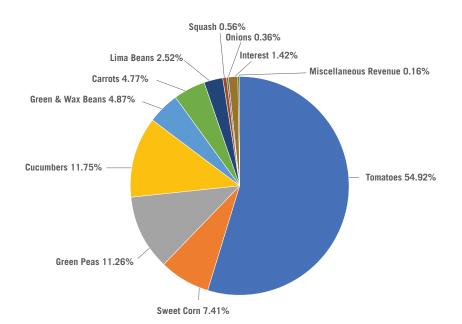
FINANCIAL SNAPSHOT

The following charts provide a visual overview of OPVG activities in 2020. These charts are for illustrative purposes only. Please refer to the details provided in the financial statements that follow.



2020 OPVG Revenue

Total revenue received \$1,216,875







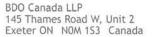
FINANCIAL STATEMENTS



Ontario Processing Vegetable Growers Financial Statements For the Year Ended December 31, 2020

Ontario Processing Vegetable Growers Financial Statements For the Year Ended December 31, 2020

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Tel: 519 235 0281 Fax: 519 235 3367 www.bdo.ca

Independent Auditor's Report

To the Board of Directors of Ontario Processing Vegetable Growers

Opinion

We have audited the financial statements of Ontario Processing Vegetable Growers (the organization), which comprise the statement of financial position as at December 31, 2020, 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 organization as at December 31, 2020, and its results of operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 organization 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 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If 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 organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants Exeter, Ontario March 17, 2021

Ontario Processing Vegetable Growers Statement of Financial Position

December 31	2020 General	2020 Capital	2020 Joint Ventures	2020 Restricted	2020 Endowment	2020 Total		2019 Total
Assets								
Current Cash Temporary investments Accounts receivable Prepaid expenses Interfund balances	\$1,071,470 125,000 83,220 3,946 46,072	- - - -	\$ 288,251 - 33,858 - -	\$ 3,089 - 13,719 - (46,072)	\$ - - - -	\$ 1,362,810 125,000 130,797 3,946	\$	1,356,495 54,000 104,726 3,861
Long-term investments Capital assets (Note 2)	1,329,708 459,423 -	- - 24,893	322,109 - 17,523	(29,264) 144,716 -	- 2,528,856 -	1,622,553 3,132,995 42,416		1,519,082 3,137,484 58,718
	\$1,789,131	\$ 24,893	\$ 339,632	\$ 115,452	\$ 2,528,856	\$4,797,964	\$	4,715,284
Liabilities and Net Assets								
Current Accounts payable and accruals (Note 3) Current reserve for bursaries (Note 5) Due to board funds Deferred revenue Current portion of long-term debt (Note 6)	\$ 257,721 2,000 - -	\$ - - - - 8,142	\$ 48,104 - 1,250 -	\$ 1,500 - - - -	\$ - - - -	\$ 307,325 2,000 1,250 - 8,142	\$	161,383 2,000 1,250 21,633 8,142
Reserve for bursaries (Note 5) Long-term debt (Note 6)	259,721 14,000 - 273,721	8,142 - 22,391 30,533	49,354	1,500 - - - 1,500		318,717 14,000 22,391 355,108		194,408 16,000 30,533 240,941
Net Assets General Capital Restricted Endowment	1,515,410 - - - - 1,515,410 \$1,789,131	\$ (5,640) (5,640) 24,893	\$ 17,523 272,755 290,278 339,632	\$ 113,952	2,528,856 2,528,856 \$2,528,856	1,515,410 11,883 386,707 2,528,856 4,442,856 \$4,797,964	:	1,574,226 20,045 351,216 2,528,856 4,474,343 4,715,284

The accompanying notes are an integral part of these financial statements.

Ontario Processing Vegetable Growers Statement of Changes in Net Assets

For the year ended December 31	2020 General	2020 Capital	2020 Joint Ventures	2020 Restricted	2020 Endowment	2020 Total	2019 Total
Balance, beginning of the year	\$1,574,226 \$	(5,250) \$	277,719	\$ 98,792	\$ 2,528,856	\$ 4,474,343	\$ 4,539,916
Excess (deficiency) of revenues over expenses	(48,904)	(10,302)	12,559	15,160	-	(31,487)	(65,573)
Interfund transfers	(9,912)	9,912	-	-	-	-	<u>-</u>
Balance, end of the year	\$1,515,410 \$	(5,640) \$	290,278	\$ 113,952	\$ 2,528,856	\$ 4,442,856	\$ 4,474,343

Ontario Processing Vegetable Growers Statement of Operations 2020 2020 2020 Joint 2020 2020 2019 For the year ended December 31 General Capital Ventures Restricted Total Total Revenue Research and development funding 35,118 \$ 35,118 \$ 31,031 Interest income 19,276 1,073 55,369 75,718 89,073 99,547 99,103 99,547 Levies Licence fees 1,197,599 1,197,599 1,232,231 135,738 55,369 1,407,982 1,451,438 1,216,875 **Expenses** 26,638 Acreage measurement 29,633 29,633 Advertising and promotion 11,176 11,176 1,979 10,302 7,772 18,074 17,563 Amortization Annual conventions 21,445 21,445 28,703 Board member fees and related costs 76,918 76,918 149,850 28,161 35,708 Board members travel 28,161 66,669 Consulting fees 35,708 63,415 28,611 35,752 District grants 35,752 Education and marketing costs 40,209 40,209 25,740 100,533 Employees paid leave and severance 100,533 Grading expense 194,223 194,223 202,149 5,573 Meetings and conferences 5,573 24,266 Membership fees 51,429 51,429 11,973 Negotiations and arbitration meetings 50,256 18,464 18,464 Office expenses 92,230 7,372 99,602 87,527 Office rent and utilities 52,789 52,125 52,125 Professional fees 41,720 1,250 42,970 63,992 106,785 206,579 Research 99,047 205,832 Salaries and benefits 363,365 363,365 393,903 Staff travel expenses 4,562 4,562 14,409 Sub-contracts 3,715 3,715 1,265,779 10,302 123,179 40,209 1,439,469 1,517,011

The accompanying notes are an integral part of these financial statements.

12,559 \$

15,160 \$ (31,487) \$

(48,904) \$ (10,302) \$

Excess (deficiency) of revenues over

expenses

(65,573)

Ontario Processing Vegetable Growers Statement of Cash Flows

For the year ended December 31		2020	2019
Cash flows from operating activities Deficiency of revenues over expenses Items not affecting cash:	\$	(31,487) \$	(65,573)
Amortization of capital assets	_	18,074	17,563
Changes in non-cash working capital:		(13,413)	(48,010)
Accounts receivable		(26,071)	(52,272)
Prepaid expenses		(85)	271
Accounts payable and accrued liabilities Deferred revenue		145,938 (21,633)	(327) (262)
	_	84,736	(100,600)
Cash flows from investing activities			
Long term investments		4,488	77,319
Acquisition of capital assets Reserve for bursaries		(1,767) (2,000)	(1,301) (2,000)
Reserve for bursuites	_	(2,000)	(2,000)
	_	721	74,018
Cash flows from financing activities			
Repayment of long-term debt	_	(8,142)	(8,142)
Net increase (decrease) in cash		77,315	(34,724)
Cash and cash equivalents, beginning of the year	_	1,410,495	1,445,219
Cash and cash equivalents, end of the year	\$	1,487,810 \$	1,410,495
Represented by:	_		
Cash	\$	1,362,810 \$	1,356,495
Temporary investments	_	125,000	54,000
	\$	1,487,810 \$	1,410,495

December 31, 2020

1. Significant Accounting Policies

Nature and Purpose of Organization

The Ontario Processing Vegetable Growers (OPVG) is incorporated under the regulations of the Farm Products Marketing Act. OPVG was formed to represent processing vegetable growers in the three districts across Ontario. There are 14 regulated processing vegetables in the province. OPVG is a non-profit organization under the Income Tax Act and, accordingly, is exempt from income taxes under section 149 (1)(e) of the Income Tax Act.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Joint Ventures

Joint ventures are accounted for using the proportionate consolidation method in OPVG's financial statements.

OPVG has a 50% interest along with Ontario Fruit & Vegetable Processors Association (OF&VPA) in the following joint ventures:

Ontario Cucumber Research Committee
The organization conducts research on behalf of Ontario cucumber growers and processors.

Ontario Tomato Research Institute
The organization conducts research on behalf of Ontario tomato growers and processors.

Tomato Grading Reserve Fund The organization acquires grading equipment and manages the tomato third party grading system on behalf of growers and processors.

Pea, Bean and Corn Industry Research Committee The committee conducts research on behalf of Ontario pea, bean and corn growers and processors.

December 31, 2020

1. Significant Accounting Policies (continued)

Fund Accounting

General Fund

The general fund reports the organization's unrestricted resources available for the Board's general operating activities. The general fund derives the majority of its revenues from crop license fees.

Capital Fund

The capital fund reports the assets, liabilities, revenues and expenses related to OPVG's capital assets.

Joint Ventures

The joint venture fund is a restricted fund. It reports OPVG's share of the assets, liabilities, fund balances, revenues and expenses of its joint ventures. The majority of revenues and expenses reported in the joint venture fund are the levies and research funding received directly by the joint ventures. Levies and research funding are restricted to be used on research projects conducted by the joint ventures.

Restricted Fund

The restricted fund reports all restricted assets, liabilities, fund balances, revenues and expenses of the organization. The majority of the revenues and expenses reported in the restricted fund are the interest earned on the endowment fund and its eligible expenses.

Endowment Fund

Under a 1992 agreement with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), this fund capital consists of the funds available from the wind-up of the Processing-Vegetable Financial Protection Board. The terms of the agreement stipulate that OPVG shall not have access to the restricted capital and shall spend the interest only for the purposes of research, market development and education projects to benefit the entire processing vegetable industry. The interest earned on this capital is reported as revenue of the restricted fund.

December 31, 2020

1. Significant Accounting Policies (continued)

Revenue Recognition

The organization follows the restricted fund method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. However, if no appropriate restricted fund is presented, then the restricted contribution is recognized as revenue of the General Fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(i) Research and Development Funding

Funding is granted for specific research. It is accounted for in the appropriate fund in accordance with the contract terms.

(ii) Levies

Levies are calculated as a factor based on delivered tons as defined in the Processor Marketing Agreements. OPVG and OF&VPA combine to equally fund projects in tomato research, cucumber research, pea, bean and corn research and to share the cost of the annual joint convention. Research levies are reported as income of the joint ventures and are restricted for use on research projects.

(iii) Bursaries

Contributions for the purpose of funding long term bursary programs is added to the liability in the statement of financial position and recognized as revenue as the bursaries are awarded.

(iv) License fees

License fees are levied by processing crop on licensed producers at a rate per delivered ton. The licensed processors collect the fees and remit to OPVG. License fees are recognized as income in the fiscal year of delivery. There is no restriction on license fees and they are used to fund the general operations of OPVG.

(v) Interest income

Income is earned on GIC investments and is recorded on an accrual basis. Interest earned by the general fund is unrestricted. Interest earned by the joint ventures is restricted to be used by the applicable joint venture. Interest earned on the endowment fund is recognized as income of the restricted fund, as it is restricted for use on research, market development and education projects to benefit the entire processing vegetable industry.

December 31, 2020

1. Significant Accounting Policies (continued)

Cash	and	Cash
Ec	uiva	lents

Cash and cash equivalents are defined as cash on hand, cash in the bank, and all guaranteed investment certificates with maturities or rights to redeem of less than or equal to 12 months.

Financial Instruments

Financial Instruments are recorded at fair value at initial recognition. In subsequent periods, the organization's financial instruments are reported at cost or amortized cost less impairment, if applicable, with the exception of equity investments which are reported at fair market value. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Furniture and equipment	Straight-line	5 years
Computer equipment	Straight-line	3 years
Vehicles	Straight-line	5 years

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

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December 31, 2020

2. Capital Assets

	2020				20	19	
	 Cost		cumulated ortization		Cost		cumulated nortization
Vehicles Furniture and	\$ 44,953	\$	22,477	\$	44,953	\$	13,486
equipment Computer equipment	135,005 16,152		117,481 13,736		135,003 14,382		109,709 12,425
	196,110		153,694		194,338		135,620
		\$	42,416			\$	58,718

3. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable for HST of \$96,765 (2019 - \$104,493).

December 31, 2020

4. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable.

There have not been any changes in the risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

The organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The organization maintains a portion of its invested assets in liquid securities.

There have not been any changes in the risk from the prior year.

December 31, 2020

5. Bursaries

The Ken Epp Memorial Scholarship was established in 2010 at an original contribution of \$20,000 to be awarded in increments of \$1,000 to one student per year.

The R.H. Brown Scholarship Fund began to be administered by OPVG in 2011 with a balance of \$15,000 to be awarded in increments of \$500 to two students per year.

		2020	2019
Opening balance of Epp and Brown bursary reserves	\$	18,000 \$	20,000
Awarded during the year		(2,000)	(2,000)
Ending balance of Epp and Brown bursary reserves	_	16,000	18,000
Less: current reserve for bursaries		(2,000)	(2,000)
Long term reserve for bursaries	\$	14,000 \$	16,000

6. Long-term Debt

	 2020	2019
VW Credit Canada Inc interest at 0% repayable in monthly payments of \$679, due September 2024, secured by 2018 Volkswagen Tiguan with a carrying value of \$22,477	\$ 30,533 \$	38,675
Current portion	 8,142	8,142
Long-term portion of debt	\$ 22,391 \$	30,533

Principal repayments on long-term debt over the next four years are as follows:

	\$ 30,533
2024	 6,107
2023	8,142
2022	8,142
2021	\$ 8,142

December 31, 2020

7. Contractual Obligations

OPVG is committed under the terms of an operating lease for office space to September 30, 2025. The base rate applies plus a proportionate share of common area expenses and taxes.

OPVG has a photocopy lease expiring in 2023 with payments of \$780 per month.

Contractual obligation repayments for the next five years are as follows:

2021	\$ 52,157
2022	52,157
2023	45,137
2024	42,796
2025	 32,097
	 _
	\$ 224,344

December 31, 2020

8. Related Party Transactions

Ontario Ministry of Agriculture, Foods and Rural Affairs (OMAFRA) has funded the following persons directly for 2019, funding was discontinued for 2020 and going forward.

 The Chair was paid the standard Director per diems by the Board and contracted with OMAFRA for an additional amount.

9. Contingent Liability

The organization runs an annual conference with OF&VPA and revenues and expenses are split evenly. A net conference surplus has accumulated over several years and is recorded with OPVG operations in the year incurred. As there is no written agreement with OF&VPA, it is undeterminable at this time whether any amounts may be owing to OF&VPA.

10. Impact of COVID-19 Pandemic

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time.

Ontario Tomato Research Institute Financial Statements For the Year Ended December 31, 2020 (Unaudited - see Notice to Reader)

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Financial Statements	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4





Tel: 519 235 0281 Fax: 519 235 3367 www.bdo.ca

Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of Ontario Tomato Research Institute as at December 31, 2020 and the statements of operations and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Exeter, Ontario March 15, 2021

Ontario Tomato Research Institute Statement of Financial Position (Unaudited - see Notice to Reader)

December 31	2020	2019
Assets		
Assets		
Current		
Cash	\$ 356,943	\$ 324,465
Accounts receivable	 67,717	46,889
	\$ 424,660	\$ 371,354
	·	·
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 58,800	\$ 42,487
Due to Board	 1,000	1,000
	59,800	43,487
Net Assets	402 420	4/2 022
Ontario Fruit & Vegetable Processors Association Ontario Processing Vegetable Growers	182,430 182,430	163,933 163,934
Official to Frocessing regetable drowers	 102,430	103,734
	 364,860	327,867
	\$ 424,660	\$ 371,354

Ontario Tomato Research Institute Statement of Changes in Net Assets (Unaudited - see Notice to Reader)

For the year ended December 31	P	Ontario Fruit & Vegetable Processors	Ontario rocessing Vegetable Growers	2020	2019
Balance, beginning of the year	\$	163,933	\$ 163,934	\$ 327,867	\$ 319,396
Excess (deficiency) of revenues over expenses	_	18,497	18,496	36,993	8,471
Balance, end of the year	\$	182,430	\$ 182,430	\$ 364,860	\$ 327,867

Ontario Tomato Research Institute Statement of Operations (Unaudited - see Notice to Reader)

For the year ended December 31	2020	2019
Revenue Funding Investment income Ontario Fruit & Vegetable Processors Association levies Ontario Processing Vegetable Growers levies Ontario Tomato Seeding Growers Marketing Board	\$ 70,236 1,393 49,143 49,143 1,000	\$ 62,063 4,948 47,753 47,753 1,000
Operating expenses Meetings Professional fees Research	 1,000 132,922 133,922	163 1,000 153,883 155,046
Excess (deficiency) of revenues over expenses	\$ 36,993	\$ 8,471

Ontario Cucumber Research Committee Financial Statements For the Year Ended December 31, 2020 (Unaudited - see Notice to Reader)

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Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of Ontario Cucumber Research Committee as at December 31, 2020 and the statements of operations and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Exeter, Ontario March 15, 2021

Ontario Cucumber Research Committee Statement of Financial Position (Unaudited - see Notice to Reader)

December 31	2020	2019
Assets		
Current		
Cash	\$ 96,047	\$ 61,930
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities Due to Board	\$ 19,000 500	\$ 500 500
	 19,500	502
Net Assets		
Ontario Fruit & Vegetable Processors Association	38,274	30,714
Ontario Processing Vegetable Growers	 38,273	30,714
	76,547	61,428
	\$ 96,047	\$ 61,930

Ontario Cucumber Research Committee Statement of Changes in Net Assets (Unaudited - see Notice to Reader)

For the year ended December 31	Pı	Ontario Fruit & 'egetable rocessors sociation	Ontario rocessing egetable Growers	2020	2019
					_
Balance, beginning of the year	\$	30,714	\$ 30,714	\$ 61,428	\$ 30,052
Excess of revenues over expenses		7,560	7,559	15,119	31,376
Balance, end of the year	\$	38,274	\$ 38,273	\$ 76,547	\$ 61,428

Ontario Cucumber Research Committee Statement of Operations (Unaudited - see Notice to Reader)

For the year ended December 31	2020	2019
Revenue		
Ontario Processing Vegetable Growers levies Ontario Fruit & Vegetable Processors Association levies Interest income	\$ 29,050 29,050 261	\$ 30,038 30,038 500
	58,361	60,576
Operating expenses		
Professional fees Research	500 42,742	500 28,700
	43,242	29,200
Excess of revenues over expenses	\$ 15,119	\$ 31,376

Pea, Bean and Corn Industry Research Committee Financial Statements

For the Year Ended December 31, 2020 (Unaudited - see Notice to Reader)

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Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of Pea, Bean and Corn Industry Research Committee as at December 31, 2020 and the statements of operations and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Exeter, Ontario March 15, 2021

Pea, Bean and Corn Industry Research Committee Statement of Financial Position (Unaudited - see Notice to Reader)

December 31	2020	2019
Assets		
Current Cash	\$ 82,822	\$ 60,858
Liabilities and Net Assets		
Current Accounts payable and accrued liabilities Due to Board	\$ 18,405 500	\$ 1 500
	 18,905	501
Net Assets Ontario Fruit & Vegetable Processors Association Ontario Processing Vegetable Growers	31,959 31,958	30,179 30,178
ontailo i rocessing vegetable Glowers	63,917	60,357
	\$ 82,822	\$ 60,858

Pea, Bean and Corn Industry Research Committee Statement of Changes in Net Assets (Unaudited - see Notice to Reader)

For the year ended December 31	Pı	Ontario Fruit & egetables rocessors sociation	Ontario rocessing egetable Growers	2020	2019
Balance, beginning of the year	\$	30,179	\$ 30,178	\$ 60,357	\$ 51,820
Excess of revenues over expenses		1,780	1,780	3,560	8,537
Balance, end of the year	\$	31,959	\$ 31,958	\$ 63,917	\$ 60,357

Pea, Bean and Corn Industry Research Committee Statement of Operations (Unaudited - see Notice to Reader)

For the year ended December 31	2020	2019
Revenue Ontario Fruit & Vegetable Processors Association levies Ontario Processing Vegetable Growers levies Interest income	\$ 20,854 \$ 20,854 257	20,811 20,811 784
	41,965	42,406
Operating expenses Professional fees Research	500 37,905	500 33,369
	38,405	33,869
Excess of revenues over expenses	\$ 3,560 \$	8,537

Tomato Grading Reserve Fund Financial Statements For the Year Ended December 31, 2020 (Unaudited - see Notice to Reader)

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Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of Tomato Grading Reserve Fund as at December 31, 2020 and the statements of operations and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Exeter, Ontario March 15, 2021

Tomato Grading Reserve Fund Statement of Financial Position (Unaudited - see Notice to Reader)

December 31	2020	2019
Assets		
Current Cash	\$ 40,691	\$ 55,699
Equipment (Note 1)	35,045	50,589
	\$ 75,736	\$ 106,288
Liabilities and Net Assets		
Liabilities and Net Assets		
Current Due to Board	\$ 500	\$ 500
Net Assets Ontario Fruit & Vegetable Processors Association Ontario Processing Vegetable Growers	37,618 37,618	52,894 52,894
	75,236	105,788
	\$ 75,736	\$ 106,288

Tomato Grading Reserve Fund Statement of Changes in Net Assets (Unaudited - see Notice to Reader)

For the year ended December 31	Р	Ontario Fruit & /egetable rocessors sociation		Ontario rocessing /egetable Growers		2020		2019
Dalaman hasinging of the year	ć	E2 804	ć	E2 804	ć	40E 700	Ċ	424 020
Balance, beginning of the year Deficiency of revenue over expenses	\$	52,894 (15,276)	\$	52,894 (15,276)	\$	105,788 (30,552)	\$	121,028 (15,240)
Balance, end of the year	<u> </u>	37,618	\$	37,618	\$	75,236	\$	105,788

Tomato Grading Reserve Fund Statement of Operations (Unaudited - see Notice to Reader)

For the year ended December 31	2020	2019
Revenue		
Interest income	\$ 236	\$ 804
Operating expenses Amortization Professional fees Repairs and maintenance	 15,544 500 14,744	15,544 500 -
	 30,788	16,044
Deficiency of revenues over expenses	\$ (30,552)	\$ (15,240)

Tomato Grading Reserve Fund Notes to Financial Statements (Unaudited - see Notice to Reader)

December 31, 2020

	2020						2019	
	Cost	Accumulated Amortization			Cost		Accumulated Amortization	
Equipment	\$ 186,619	\$	151,574	\$	186,619	\$	136,030	
		\$	35,045			\$	50,589	





OUR MISSION

To supply our customers with safe, high quality vegetables for processing, according to their requirements and on competitive terms and conditions, that have been profitably grown using sustainable production practices.

OUR VISION

Ontario's vegetables for processing value chain is growing, thriving and committed to innovation.

OUR VALUES

Leadership – We will serve as one unified voice for Ontario's processing vegetable growers.

Collaboration – We will identify common goals with our value chain partners and work together to achieve them.

Integrity – We will do business honestly, consistently and with accountability.

Excellence – We will work to continuously improve production outcomes for processing vegetables.

Innovation – We will seek to find and adopt better ways of achieving positive outcomes.

Profitability – We seek to provide fair returns on investment relative to labour, capital and risk to our growers through negotiating competitive prices, terms and conditions with our value chain partners.

OUR STATEMENT OF CARE

Our customers – We seek to grow and prosper with our customers as partners with aligned goals.

Our growers – We will work for the best interests of our growers at all times to enable their farms to prosper from the production and marketing of vegetables for processing.

Our consumers – We are committed to providing safe, high quality, locally grown, nutritious vegetables that can be accessed and enjoyed throughout the year.

Our people - We will treat our staff with dignity and encourage their professional development.

Our value chain relationships – We will work to support our sector through collaboration in research, crop production and harvesting practices, information sharing, sector strategy development and through negotiation of fair and competitive terms of sale.

Our environment – We care about our water, soil and air resources and will work to use them as responsible stewards so that they are sustained for future generations.





435 Consortium Court London, ON N6E 2S8 519.681.1875 opvg@opvg.org opvg.org

