



BRITISH COLUMBIA
TURKEY MARKETING BOARD

AND

B.C. TURKEY ASSOCIATION



2010 ANNUAL REPORT

March 10, 2011

Newlands Golf & Country Club

Langley, BC

BRITISH COLUMBIA TURKEY MARKETING BOARD
and the
B.C. TURKEY ASSOCIATION
2010 ANNUAL GENERAL MEETING
MARCH 10, 2011

AGENDA

1. Call to Order

Opening Remarks

Minutes of 2009 Annual Meeting Pages 1 - 5

Business Arising from above Minutes

2. British Columbia Turkey Marketing Board

- Board Chairman's Report Pages 6 – 7
 - TFC Director's Report Pages 8 – 9
 - General Manager's Report Pages 10 – 11
 - TFC Presentation
 - Financial Statements Pages 12 - 21
 - Elections
 - Any Other Board Business
-

3. Speaker: Garnet Etsell - RMSC

4. B.C. Turkey Association

- President's Report Page 22
 - Financial Statements Pages 23 – 31
 - Budget Page 32
 - Elections
 - Any Other Association Business
-

**5. Speaker – Lindsay Babineau –
BC Agriculture in the Classroom**

Adjournment

Lunch

**MINUTES OF THE B.C.TURKEY ASSOCIATION AND THE B.C.TURKEY MARKETING BOARD
2009 ANNUAL MEETING HELD AT THE BEST WESTERN REGENCY CONFERENCE CENTRE,
ABBOTSFORD, BC ON MARCH 16, 2010**

There were 67 people in attendance, 24 were registered growers.

The meeting was called to order at 10:00 am with the Association President, Steve Heppell, welcoming representatives from banks, feed companies, processors, and guests as well as attending growers.

The minutes of the Annual Meeting of the B.C. Turkey Association and the B.C. Turkey Marketing Board held March 6, 2009 were adopted as circulated on a motion by Garnet Etsell (Coligny Hill Farms), and seconded by Trevor Allen (SkyeHi Farms). Carried.

BUSINESS ARISING FROM ABOVE MINUTES

None

BRITISH COLUMBIA TURKEY MARKETING BOARD

Board Chairman's Report

The Board Chairman's report was read by Ralph Payne. Following the reading of this report, Shawn Heppell (Mountain View) moved and Patrick Huestis (Coppertone Farms) seconded a motion to accept this report. Carried

General Manager's Report

The General Manager's Report was read by Michel Benoit. Following the reading of this report, Ray Nickel (Nicson) moved and Vic Redekop (North Bluff Farms) seconded a motion to accept this report as read. Carried

CTMA Director's Report

The CTMA Director's Report was read by Shawn Heppell. Following the reading of this report, Les Burm (Forestry) moved and Jack Froese (J.D. Farms) seconded a motion to accept this report as read. Carried.

CTMA Presentation

At this time Mr. Heppell introduced Mr. Mark Davies, CTMA Chair, Mr. Wayne Kroeker and Mr. Phil Boyd, CTMA Executive Director.

**MINUTES OF THE B.C.TURKEY ASSOCIATION AND THE B.C.TURKEY MARKETING BOARD
2009 ANNUAL MEETING HELD AT THE BEST WESTERN REGENCY CONFERENCE CENTRE,
ABBOTSFORD, BC ON MARCH 16, 2010**

Messrs. Davies and Boyd provided a slide presentation outlining:

- 2009 Market Review
- Turkey Supply & Disappearance for 2009 compared to 2008
- Monthly Turkey Stocks
- Imports of Turkey into Canada
- Canadian Turkey Disappearance
- 2010/2011 Outlook
- Regulations & Policies
- On-Farm Programming
- CanNAISS (Canadian Notifiable AI Surveillance System)
- Compensation
- Trade
- TFC Business Planning and Moving Forward

Discussion followed. A copy of this presentation is attached to these minutes.

Following the CTMA presentation Mr. Heppell thanked Messrs. Davies, Kroeker and Boyd for their very informative presentation and for taking the time to attend BC's meeting.

BTCMB Financial Statements

Mr. Les Burm presented the Auditor's Report, Balance Sheet and Statement of Revenue and Expenditures for the year ended December 31, 2009.

Following the presentation, Vic Redekop (North Bluff) moved and Garnet Etsell (Coligny Hill) seconded a motion to adopt the Financial Statements as presented. Carried.

Budget

Mr. Michel Benoit presented the proposed budget for the BC Turkey Marketing Board for the 2010 fiscal year.

BCTMB Elections

The Board Chair turned the election process over to the Returning Officer, Mr. Jack Wessel.

**MINUTES OF THE B.C.TURKEY ASSOCIATION AND THE B.C.TURKEY MARKETING BOARD
2009 ANNUAL MEETING HELD AT THE BEST WESTERN REGENCY CONFERENCE CENTRE,
ABBOTSFORD, BC ON MARCH 16, 2010**

Board Member: Mr. Wessel advised that only one nomination had been received to fill the position of Board Member, that of Mr. Les Burm (Forestry Turkey Farm Ltd.) and therefore Mr. Burm was elected by acclamation to the position of Board Member for a three year term.

Any Other Board Business

None

B.C. TURKEY ASSOCIATION

President's Report

The B.C.T.A. report was read by Mr. Steve Heppell. Following the reading of this report, Ray Nickel (Nicson) moved and Trevor Allen (SkyeHi Farms) seconded a motion to accept this report. Carried.

Financial Statements

Mr. Garnet Etsell presented the Auditor's Report, Balance Sheet and Statement of Revenue and Expenditures for the year ended December 31, 2009.

Following the presentation, Jack Froese (JD Farms) moved and Rick Andrew (Andrew Farms) seconded a motion to accept the Financial Statements as presented. Carried.

Budget

The B.C. Turkey Association budget for the 2010 fiscal year was presented by the Secretary-Treasurer, Mr. Garnet Etsell.

On a motion by Patrick Huestisl (Coppertone Farms) seconded by Ray Nickel (Nicson) the budget was accepted as presented. Carried.

Elections

The Association president turned the election process over to the Returning Officer, Mr. Jack Wessel.

**MINUTES OF THE B.C.TURKEY ASSOCIATION AND THE B.C.TURKEY MARKETING BOARD
2009 ANNUAL MEETING HELD AT THE BEST WESTERN REGENCY CONFERENCE CENTRE,
ABBOTSFORD, BC ON MARCH 16, 2010**

Election of Association Directors

The Returning Officer advised that there were three positions vacant for directors of the B.C. Turkey Association for a two year term for 3 registered growers and one position vacant for a one year term for 1 registered grower. The Nominating Committee presented nominations for Mr. Steve Heppell, Mr. James Krahn, and Mr. Ralph Volkmann for the two year terms and for Mr. Steven Redekop for the one year term.

The Returning Officer then called for nominations from the floor. There being no further nominations, the Returning Officer declared Messrs. Steve Heppell, James Krahn, Steven Redekop and Ralph Volkmann elected.

Any Other Association Business

Mr. Garnet Etsell presented information from the BC Agriculture Council seeking support and approval for the concept of establishing a stable funding strategy for the BCAC.

The Council has had the benefit of relying on a capacity grant from the government which has kept membership dues at a reasonable level, but this grant will become fully drawn down by the end of 2011. In the absence of getting a stable funding mechanism in the place the BCAC has only two options:

- Increase membership dues, or
- Substantially reduce service & activities

BCAC advocates on behalf of 23,000 bona fide farmers, but only 14,000 financially contribute through commodity groups.

The BCAC is currently working with the Minister of Agriculture and Lands and Ministry staff on a mechanism to establish a more secure and stable funding base for the council. The concept being developed is one that several other provinces already have in place – an annual license or registration fee (most likely administered through the Property Tax Assessment process) per farm unit.

A strong well funded provincial farm organization can play a key role in protecting the long term sustainability of the BC agriculture sector.

On a motion by Garnet Etsell (Coligny Hill), seconded by Ray Nickel (Nicson) “Be it resolved that the BC Turkey Association support BCAC initiatives to secure stable funding of BCAC operations”. Carried.

**MINUTES OF THE B.C.TURKEY ASSOCIATION AND THE B.C.TURKEY MARKETING BOARD
2009 ANNUAL MEETING HELD AT THE BEST WESTERN REGENCY CONFERENCE CENTRE,
ABBOTSFORD, BC ON MARCH 16, 2010**

**Presentation – Garnet Etsell, Second Vice-President CFA – National Food Strategy –
Why?**

Mr. Etsell gave a presentation on why we need a National Food Strategy.

- The emerging trends that will have an impact on Canadian agriculture
- International trends
- Domestic trends
- Opportunities & issues to be addressed with these opportunities
- Types of actions needed to be taken to help reposition agriculture

With proper management and strategic investment, Canada could be positioned to be a major contributor to the world's food and renewable resource needs.

A copy of Mr. Etsell's presentation is attached to these minutes.

Mr. Heppell thanked Mr. Etsell for his talk and presented him with the first jacket bearing the new BC Turkey Farmers logo.

ADJOURNMENT

There being no further business on a motion by Dan Wiebe (Rosstown) the meeting was adjourned at 11:55 a.m.

Prepared by:

Approved by:

Susan Mallory, Secretary BCTA

Steve Heppell, President BCTA

Linda Beckstead, Administration BCTMB

Ralph Payne, Chair BCTMB

BRITISH COLUMBIA TURKEY MARKETING BOARD
CHAIRMAN'S REPORT
To the 2010 Annual General Meeting

Ladies and Gentlemen, Honored Guest and Turkey Growers.

I welcome you on behalf of the Board and staff to today's event. 2010 was a relatively quiet year for the Board. Your board held ten Board meetings throughout the year. Four of these meetings were Board/Processor meetings to discuss common issues and pricing. I would like to thank the processors for their cooperation and support throughout the year.

As reported at last years AGM, 2009 was a difficult year for the turkey industry in Canada. Inventory levels were extremely high and consequently the Board made price concessions available to processors in June, 2009. The board was committed to moving back to the traditional over Ontario pricing levels throughout 2010. By year end the board had recouped about 66% of the price concessions and I am pleased to report that at our February, 2011 Board meeting the price concessions were removed in their entirety.

There was a significant improvement in inventory levels in Canada during 2010. In fact inventory levels were down 33% from a year earlier by end of the year. Whole bird levels were at their lowest level since 2000. Although 2010 disappearance was down 4.2 MKG from 2009, it was still the third highest year on record. The TFC forecast for April 1, 2011 is for 25 MKG down from 33 MKG in April, 2010. It would certainly appear that inventory levels are under control as we move forward.

The board held a two day strategic planning session in 2010. A commitment was made to improving our relationship with industry players. I am pleased to report that progress has been made toward this goal. The entire Board had a very good meeting with FIRB in October. They were pleased with our progress as an industry and with the direction the Board was headed. The Board also met with one processor in July at their facility to discuss trends, new product development and industry issues. This was viewed as a worthwhile exercise by the Board and Processor. In February, 2011 we had an on site meeting with a second Processor. We will continue this process as we move forward. The image of our industry in the eyes of the public was also an area needing attention. Consequently a new web site was developed by staff in 2010. It includes on farm tours with growers and presents a very positive image to the public. I would highly recommend you visit the site if you have not already done so. Another relationship building process has been initiated by COMB, which entails regular meetings between all Commodity Board/Commission Chairs and Managers for the purpose of sharing ideas and discussing common issues. These meetings will be very beneficial as we move forward.

BRITISH COLUMBIA TURKEY MARKETING BOARD

CHAIRMAN'S REPORT

To the 2010 Annual General Meeting

FIRB has gone through some changes during the past year. Ron Kilmury is the new Chair. Ron was formerly chair of the Chicken Board. The other new members of the FIRB are Derek Janzen and Cheryl Davie. FIRB'S focus going forward appears to concentrate in the area of good governance. We have been advised that they are embarking on a program to improve the framework for accountability in British Columbia's regulated marketing sectors. Stay tuned!

I am pleased to advise that the TFC June 2011 Meeting will be held in Vancouver. Our board will be hosting this and Michel and staff are in the process of preparing for this event. The hotel selected is The Coast and the dates are June 21,22, 23. I would encourage you to participate in this event as B.C. hosts it once every eleven years. Please contact the office for details and sponsorship opportunities.

I have just completed my first year as chair of the BCTMB and I thank all those who have helped me throughout the year. Your grower board members, staff and association directors have made me feel very welcome in my inaugural year. I might add that I am very impressed with the job done by all of them on behalf of the turkey growers of B.C. Your industry looks well positioned to move forward in 2011 and I wish you every success in the years to come.

Respectfully submitted

Ralph Payne

Board Chair

BRITISH COLUMBIA TURKEY MARKETING BOARD
TFC DIRECTOR'S REPORT
to the 2010 Annual General Meeting

Ladies and gentlemen, fellow growers and honoured guests, thank you for taking the time to be here today and showing an interest in our great industry. I count it an honour to be the British Columbia representative to the Turkey Farmers of Canada, and trust you will find this annual report informative and encouraging.

2010 was a year with many ups and downs for our market, we started the year with slightly high storage stocks of 18 mkg, but by spring our stocks were rising quite rapidly. We ended the quota year on April 24th with stocks of 25 mkg which was concerning to those of us watching the market closely. The market continued to be slow all through the summer and we entered the festive season with very high supply. Fortunately the cuts to production that we had made earlier in the year were beginning to take effect, that coupled with extremely good movement through the festive season brought our stocks down to 12 mkg On January 1st 2011. At this time our forecasted stocks for the quota year ending April 30, 2011 are expected to be 14 mkg, which will be down 8 mkg from the same period in 2010.

As always trying to forecast the market and match production to consumption is a full time concern for us at TFC, we continue to refine our data and look at market trends to avoid large swings in stocks to use ratios but it is never easy. As a member of the Turkey Market Advisory Committee I can assure you that we are always working to see if there are better ways to predict how our market is changing. This past year we saw significant changes in how large retailers feature whole turkeys, one of the key reasons stocks rose to such highs in the summer months was because there was a complete lack of features during that time. This of course concerned us heading into the festive season with such high stocks. Another new trend was the massive featuring of whole birds at festive time for less than \$1 a pound. This did move an awful lot of turkey but it has its own set of concerns for us. The concern is that after many years of trying to balance out the market and have more movement outside of the festive time we seem to have reversed course in 2010. It is too early to tell if this is the new normal for our industry but it reminds us that we always need to be adapting to the emerging market trends and finding ways to meet that market.

Starting 2011 with a stronger stock position bodes well for the beginning of the year. We are anticipating some growth in whole bird sales after 2 years of decline. As a result your allocation has been adjusted to reflect that. The further processed side of the market still seems sluggish with a higher than optimal breast meat supply on the market at this time. Our real growth in the future will come from improved market demand for turkey cuts and processed parts, but to realize that potential new products and improved exposure at retail will need to take place.

This last year we also saw the updating of the nutrient guide for turkey that health Canada and nutritionists refer to when speaking of the nutrient value of foods. This updated information was funded by Turkey Farmers of Canada and has been released to nutritionists across the country. It will be no surprise to anyone in this room that turkey remains the healthiest white meat

BRITISH COLUMBIA TURKEY MARKETING BOARD
TFC DIRECTOR'S REPORT
to the 2010 Annual General Meeting

available. Our next step is to promote this information so those recommending a healthier diet to all those baby boomers will also suggest they choose turkey more often.

As your rep at TFC I look forward to the coming year. We will continue to work on your behalf to make sure we are doing all we can to promote not just our product but also our marketing system. We are fortunate to have both a federal and provincial government that support what we do. All levels of government recognize that turkey farmers re invest in the communities they live in, we use local trades, local suppliers and market our product in our own communities creating a multiplier effect far greater than many other businesses. We will still have challenges like rising grain costs and a higher dollar but I'm confident we will be able to adapt to these challenges. We will also continue to work against those that would like to see our made in Canada marketing system eliminated. The WTO and other trade talks will undoubtedly take a great deal of our time and continue to cause unrest until the talks are settled.

At TFC we will continue to self examine how we allocate to our Provinces and ask if there is a better way. We will continue to work with governments on regulations and refine our food safety systems. I'm also sure that at times any of these items could be difficult and require a fair amount of resources and goodwill to resolve, such is the nature of our business and I welcome it, because nothing worth having should be easy.

When all things are considered I am optimistic of the year ahead, we have a great product, a fantastic system to meet the market demands and growers who not only support this system but also strive to make their farms an integral part of promoting safe, sustainable, affordable, and healthy turkey for every Canadian consumer.

As always I would like to thank both Michel and Rick for their continued support and encouragement in helping to represent BC at the Turkey Farmers of Canada and most importantly my fellow growers and processors who also give me a pat on the back or a kick in the pants depending on the day.

Respectfully submitted,
Shawn Heppell
TFC Director

British Columbia Turkey Marketing Board
General Manager's Report
to the 2010 Annual General Meeting

Good morning and thank you for attending the 44th Annual General Meeting of the BC Turkey Marketing Board.

As detailed by Shawn in his report, due to significant featuring of Whole Turkeys by the retailers during the Thanksgiving and Christmas period, overall storage stocks on January 1st, 2011 were quite low. Despite these low figures, production of turkey destined for the whole bird market in our Province is scheduled to be 318,000 kgs lower in 2011/2012 than it was in 2006/2007. This amount represents a decrease of 1.45% in the overall grower allocation. Although it is disappointing to be producing less turkeys for the whole bird market compared to 2006, it is positive to note that the decrease in the next quota year is 500,000 kgs less than the decrease we had in the Province in the 2010/2011 Quota Year.

Our further processors continue to take advantage of the TFC's Further Processing Allocation program and in 2011/2012 we will be growing over 1,000,000 kgs of further processed turkey. This is an increase of more than 230,000 kgs when compared to 2010/2011. The overall effect of this extra production represents a 2.7% increase in allocation for next quota year. This increase in allocation is divided among all the growers in the Province but it is important that this production be delivered to the Processors who applied for it in a format suitable for them. All growers who deliver their turkeys to processors have recently received letters asking them for their cooperation in order to deliver this product to the processors who have requested it. Apart from the three BC Processors who are participating in this program (Sunrise, Superior and Rosstown with Sunrise accounting for a significant proportion of the requests), there is only one other processor in the country who is currently requesting additional allocation for the growers in their Province. Eastern Processors have in fact asked for a reduction of 2,000,000 kgs below their base for the 2011/2012 Quota Year.

With the increase in Further Processing Allocation and the smaller decrease in whole bird production, our allocation for the 2011/2012 quota year has been set at 90.3%. This is higher than the allocation for the 2010/2011 Quota Year which was 87.6% but lower than 2008/2009 when the allocation was 91.2%.

With the exception of one farm which is currently appealing one section of the TFC On Farm Food Safety Program, all of the established commercial turkey farms in the Province have passed their first round of Biosecurity and On-Farm Food Safety Program audits. For most of you, 2011 will mark the fourth year of on farm audits. We appreciate the effort and cooperation all the growers have demonstrated in creating and maintaining their programs.

British Columbia Turkey Marketing Board
General Manager's Report
to the 2010 Annual General Meeting

The Board wishes to thank Lilydale for their ground turkey donation and JD Farms for cooking up some wonderful lettuce wrap stuffing for last years' Eat Vancouver Show. The turkey samples tasted superb and the recipe can be found in the booklet entitled "Turkey Recipes From Around the World". JD Farms also donated whole turkeys and turkey products for the Thanksgiving Day Turkey Trot at Granville Island. The Turkey Trot is a fundraiser for the Vancouver Food Bank.

We also wish to thank Sunrise for their partnership in providing chef training classes with whole turkeys for the "Take A Bite of BC Chef Development Program". You will hear more about this great program later on in the meeting.

We have also launched, in 2010, our newly redesigned website. This new site is brighter and makes it easier for users to find what they're looking for. The site also contains four short videos each featuring a different grower in the Province. If you have not seen it, please go to www.bcturkey.com and take a look.

We also wish to invite all the growers to sign up for our "growers only" section. Presently various forms as well as poult placement cards are available for completion on line. This section will be expanded to keep growers up to date with issues and concerns in the industry. Any grower feedback as to content that they would like to see on the website would be welcomed.

I would like to thank the Board for providing me with employment that I truly enjoy, I would like to acknowledge the great people involved throughout our industry and I would also like to thank Linda and Susan for all that they do and making the office an enjoyable place to go to work every day.

Respectfully submitted
Michel Benoit
General Manager



BRITISH COLUMBIA TURKEY MARKETING BOARD

Financial Statements

December 31, 2010

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INDEPENDENT AUDITORS' REPORT

To the members of
British Columbia Turkey Marketing Board

We have audited the accompanying financial statements of British Columbia Turkey Marketing Board which are comprised of the statement of financial position as at December 31, 2010, and the statements of operations, net assets and cash flow for the year then ended, along with a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the board as at December 31, 2010 and the results of operations and cash flow of the board for the year then ended, in accordance with Canadian generally accepted accounting principles.

Friesen Pankratz & Associates LLP

CERTIFIED GENERAL ACCOUNTANTS

Abbotsford, BC
February 14, 2011



British Columbia Turkey Marketing Board
Statement of Operations
For the year ended December 31, 2010

	Operating	Capital	Restricted	2010	2009
REVENUE					
Levies	\$ 1,055,741	\$ -	\$ -	\$ 1,055,741	\$ 1,018,876
Promotions	47,480	-	-	47,480	47,055
Interest income	25,497	-	-	25,497	13,168
License income	11,575	-	-	11,575	10,700
Miscellaneous	2,556	-	-	2,556	-
	1,142,849	-	-	1,142,849	1,089,799
EXPENSES					
TFC Levies	404,399	-	-	404,399	389,927
Wages & benefits	248,161	-	-	248,161	238,960
Promotion expenses	159,526	-	-	159,526	111,706
Per diems	49,408	-	-	49,408	50,838
Meeting & conventions	45,965	-	-	45,965	54,226
Grants and disbursements	25,275	-	13,208	38,483	24,372
Office supplies	30,233	-	-	30,233	31,818
Rent & property costs	29,894	-	-	29,894	29,861
Professional fees	21,523	-	-	21,523	40,284
Amortization	-	10,344	-	10,344	6,681
Bank charges	1,243	-	-	1,243	604
	1,015,627	10,344	13,208	1,039,179	979,277
EXCESS OF REVENUE BEFORE OTHER ITEMS					
	127,222	(10,344)	(13,208)	103,670	110,522
Gain (loss) on disposal of investments	12,116	-	-	12,116	(17,976)
EXCESS OF REVENUE					
	\$ 139,338	\$ (10,344)	\$ (13,208)	\$ 115,786	\$ 92,546



British Columbia Turkey Marketing Board
Statement of Net Assets
For the year ended December 31, 2010

	Operating	Capital	Restricted	2010	2009
NET ASSETS - Open	\$ 412,161	\$ 22,805	\$ 750,000	\$ 1,184,966	\$ 1,092,420
Excess of Revenue	139,338	(10,344)	(13,208)	115,786	92,546
Transfers (Note: 7)	(24,867)	11,659	13,208	-	-
NET ASSETS - Close	\$ 526,632	\$ 24,120	\$ 750,000	\$ 1,300,752	\$ 1,184,966



British Columbia Turkey Marketing Board
Statement of Financial Position
For the year ended December 31, 2010

	Operating	Capital	Restricted	2010	2009
ASSETS					
CURRENT ASSETS					
Cash & short term deposits	\$ 218,241	\$ -	\$ -	\$ 218,241	\$ 308,921
Marketable securities (Note 3)	396,545	-	750,000	1,146,545	909,632
Accounts receivable (Note 5)	40,910	-	-	40,910	37,351
Prepaid expenses	5,545	-	-	5,545	3,514
	661,241	-	750,000	1,411,241	1,259,418
CAPITAL ASSETS (Note: 2.a)					
Computer software	-	20,654	-	20,654	10,456
Furniture and fixtures - cost	-	137,769	-	137,769	136,308
Leasehold improvements - cost	-	36,899	-	36,899	36,899
	-	195,322	-	195,322	183,663
Less: accumulated amortization	-	(171,202)	-	(171,202)	(160,858)
	-	24,120	-	24,120	22,805
TOTAL ASSETS	\$ 661,241	\$ 24,120	\$ 750,000	\$ 1,435,361	\$ 1,282,223
LIABILITIES & NET ASSETS					
CURRENT LIABILITIES					
Accounts payable & accruals	\$ 111,613	\$ -	\$ -	\$ 111,613	\$ 87,127
Wages & deductions payable	5,309	-	-	5,309	4,316
Sales tax payable	17,687	-	-	17,687	5,814
	134,609	-	-	134,609	97,257
NET ASSETS	526,632	24,120	750,000	1,300,752	1,184,966
TOTAL LIABILITIES & NET ASSETS	\$ 661,241	\$ 24,120	\$ 750,000	\$ 1,435,361	\$ 1,282,223

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director



British Columbia Turkey Marketing Board
Statement of Cash Flow
For the year ended December 31, 2010

	Operating	Capital	Restricted	2010	2009
OPERATING ACTIVITIES					
Excess of Revenue from operations	\$ 139,338	\$ (10,344)	\$ (13,208)	\$ 115,786	\$ 92,546
Add: non-cash items affecting operations					
Amortization	-	10,344	-	10,344	6,681
Accounts receivable	(3,559)	-	-	(3,559)	34,679
Prepaid expenses	(2,031)	-	-	(2,031)	2,801
Accounts payable & accruals	24,486	-	-	24,486	(7,838)
Sales taxes payable	11,873	-	-	11,873	(155)
Wages & deductions payable	993	-	-	993	540
Deferred income	-	-	-	-	(10,000)
	171,100	-	(13,208)	157,892	119,254
INVESTING ACTIVITIES					
Acquisition of capital assets	-	(11,658)	-	(11,658)	(2,515)
Marketable securities	(236,913)	-	-	(236,913)	(298,958)
	(236,913)	(11,658)	-	(248,571)	(301,473)
INCREASE IN CASH OR EQUIVALENTS	(65,813)	(11,658)	(13,208)	(90,679)	(182,219)
INTERFUND TRANSFERS	(24,866)	11,658	13,208	-	-
CASH - OPEN	308,920	-	-	308,920	491,140
CASH - CLOSE	\$ 218,241	\$ -	\$ -	\$ 218,241	\$ 308,921
CASH REPRESENTED BY:					
Cash on hand	\$ 300	\$ -	\$ -	\$ 300	\$ 300
Bank accounts	217,941	-	-	217,941	308,621
	\$ 218,241	\$ -	\$ -	\$ 218,241	\$ 308,921



British Columbia Turkey Marketing Board
Notes to Financial Statements
For the year ended December 31, 2010

1. DEFINITION OF ENTITY

The Board is authorized under the Natural Products Marketing (BC) Act and functions under the British Columbia Turkey Marketing Scheme. The Board's function includes setting production policy, processing and marketing turkeys within British Columbia.

2. ACCOUNTING POLICIES

(a) Amortization

Capital assets are recorded at cost and are being amortized on the declining balance basis at the following rates:

Computer software	50 %
Furniture and fixtures	20 %

Leasehold improvements are being amortized on the straight-line basis over their estimated useful life.

(b) Revenue Recognition

The Board recognizes revenue using the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the applicable fund in the current period. Unrestricted contributions are recognized as revenue when received or receivable in the general fund, if the amounts to be received can be estimated and collection is reasonably assured.

(c) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(d) Fund Accounting

The board uses fund accounting procedures to account separately for resources that have been designated for specific purposes and to maintain stewardship responsibility. Established funds are as follows:

Operating

A central fund that bears the costs of conducting the board's primary functions, into which all unrestricted funds flow.

Capital

A fund in which the resources are intended for use in capital improvements or to acquire and finance new capital assets.



British Columbia Turkey Marketing Board
Notes to Financial Statements
For the year ended December 31, 2010

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted

A self-imposed restricted fund intended for two purposes. Firstly, the fund is to accrue to a maximum of \$750,000 for use in the case of an emergency involving an outbreak of a contagious infection that has, or could possibly have, an affect on commercial turkeys raised in British Columbia, and cover errors or omissions which may result from any on-farm audits.

3. MARKETABLE SECURITIES

The board records marketable securities, which are traded on an active market, at fair value in the financial statements. Interest income earned on debt securities is reported according to the effective yield at the date of acquisition. Changes in the fair value are reported as an unrealized gain (loss) on marketable securities.

The investment portfolio is comprised of fixed income investments and is sensitive to fluctuations in interest rates. Interest rate increases could substantially decrease the value of the portfolio.

4. FINANCIAL INSTRUMENTS

Financial instruments are defined as a contractual right to either receive or deliver cash or another financial instrument to another party. The board's financial instruments consist of the following items:

- Cash
- Marketable securities
- Accounts receivable
- Accounts payable & accruals
- Wages & source deductions payable

All financial instruments are recorded at cost except for marketable securities, for which active quotes are available.

5. ACCOUNTS RECEIVABLE

Accounts receivable are subject to a general assignment of book debts in favour of the bank and are shown net of allowance for doubtful accounts of \$NIL (2009 \$216).

6. INCOME TAXES

The board was created pursuant to the Natural Products Marketing (BC) Act and, as such, is not subject to income taxes.



British Columbia Turkey Marketing Board
Notes to Financial Statements
For the year ended December 31, 2010

7. INTERFUND TRANSFERS

During the year the board transferred \$11,659 from the general fund to the capital asset fund to assist with the purchase of new capital assets. In addition the board transferred \$13,208 from the general fund to the internally restricted fund in accordance with its policy as described in Note 2(e).

8. LEASES

The Board has contractual obligations under an operating lease for office equipment. The lease for office space is currently under negotiation.

Under the terms of the leases, the minimum annual lease payments required are:

Year	Operating
2011	\$ 2,063
2012	\$ 1,547

9. RELATED PARTY TRANSACTIONS

During the year the Board made rental and grant payments to a related party, the BC Turkey Association. The rental payments of \$24,000 (2009 \$24,000) is based on the carrying amount of the transaction. The grant payment of \$25,275 (2009 \$24,372) is based on provincial turkey production.

10. ECONOMIC INTEREST

The BC Turkey Marketing Board has the discretion to fund the BC Turkey Association as set by the Natural Products Marketing (BC) Act. Accordingly, a large portion of the Association's funding is derived from the BC Turkey Marketing Board. As both the Board and the Association have objectives in common, the funding of the Association's objects is expected to continue for the foreseeable future.

11. CONTINGENT LIABILITIES

The Board has estimated liquidated damages for the 2009/2010 quota year to be NIL. The final liability for the 2010/2011 quota year will be based on actual production up to the end of the quota year and will be recorded at that time.

The Board has issued an irrevocable letter of credit in favour of the Turkey Farmers of Canada in the amount of \$96,785 expiring on November 11, 2011.



British Columbia Turkey Marketing Board
Notes to Financial Statements
For the year ended December 31, 2010

12. CHANGES IN PRIMARY SOURCES OF GAAP

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which is a framework available under Canadian generally accepted accounting principles (GAAP). The financial statements were prepared by applying the newly adopted accounting policies at the opening balance sheet date and throughout all periods presented. Any assets or liabilities required to be recognized or derecognized according to these standards are adjusted to opening retained earnings.

The board's new accounting policies are similar to those applied under the previous accounting framework and consequently there is no difference in opening retained earnings or comparative net income.

**B.C. TURKEY ASSOCIATION
PRESIDENT'S REPORT
to the 2010 Annual General Meeting**

Ladies and Gentlemen, fellow Turkey Growers and Honoured Guests.

In 2010 we have seen a measure of stability return to the turkey industry after implementing production cuts in 2009. In order to maintain steady growth in our industry it is important for us to manage our production. Improved inventory levels have resulted in the board increasing production for 2011/2012.

Our industry lost one of our best last year in the passing of Frank Burm. Frank started turkey production in 1979 under the name of Forestry Turkey Farm on 192nd Street and took great pride in farming. He will be missed.

Our BC bio-security program is running smoothly and we are open to considering any changes that can be made to improve the program. The bio-security committee is always willing to work through any problems that do arise in the industry on behalf of producers.

The SPFG underwent several changes this year including the resignation of the Chair, Ralph Volkmann and the Manager, Kevin Chipperfield. The SPFG members are currently in the process of carrying out a strategic review that will focus on what their future direction should be.

With the current political climate I would encourage everyone to become involved with your local MLA. Get to know them so they will know you – we cannot expect support from government if we are not supporting them.

We had another successful golf tournament this year raising over \$40,000 which will be used to supply turkey and egg products to the Union Gospel Mission. I would like to thank everyone who participated in making this day another fun event benefiting such a worthy cause.

I would like to thank my fellow directors for their hard work and valuable input this past year. In addition I would like to thank Susan and Linda for their support and patience in working with me.

In closing please join me in recognizing Ralph Volkmann, who has dedicatedly served on the BC Turkey Association directorship since 1998. Ralph has been a valuable member of the association serving on various committees. We want to thank you Ralph and wish you all the best in your future endeavours.

Respectfully submitted,
Steve Heppell
President



BC TURKEY ASSOCIATION
Unaudited Financial Statements
December 31, 2010

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Notes to Financial Statements	6



FRIESEN PANKRATZ & ASSOCIATES LLP

Certified General Accountants and Business Advisors

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REVIEW ENGAGEMENT REPORT

To the members of
BC Turkey Association

We have reviewed the balance sheet of BC Turkey Association as at December 31, 2010 and the statements of operations, net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Friesen Pankratz & Associates LLP

CERTIFIED GENERAL ACCOUNTANTS

Abbotsford, BC
February 14, 2011



BC Turkey Association
Unaudited Statement of Operations
For the year ended December 31, 2010

	General	Capital	Restricted	2010	2009
REVENUE					
Golf tournament	\$ -	\$ -	\$ 59,391	\$ 59,391	\$ 46,765
BC Turkey Marketing Board Grant	25,275	-	-	25,275	24,372
Rental income	24,000	-	-	24,000	24,000
Interest income	1,024	-	-	1,024	968
	50,299	-	59,391	109,690	96,105
EXPENSES					
Golf tournament	-	-	53,307	53,307	45,532
BC Poultry Association	13,523	-	-	13,523	12,174
Directors - Per Diem	12,000	-	-	12,000	13,000
Amortization	-	3,945	-	3,945	3,909
Professional fees	3,617	-	-	3,617	1,114
Sustainable poultry farming	2,957	-	-	2,957	2,915
Directors - Expenses	2,322	-	-	2,322	3,993
Annual general meeting	1,321	-	-	1,321	238
Miscellaneous	829	-	-	829	150
Maintenance & repairs	628	-	-	628	539
BCAC	500	-	-	500	1,418
Bank charges & interest	18	-	-	18	183
	37,715	3,945	53,307	94,967	85,165
EXCESS OF REVENUE	\$ 12,584	\$ (3,945)	\$ 6,084	\$ 14,723	\$ 10,940



BC Turkey Association
Unaudited Statement of Net Assets
For the year ended December 31, 2010

	General	Capital	Restricted	2010	2009
NET ASSETS - Open	\$ 89,752	\$ 97,694	\$ 20,051	\$ 207,497	\$ 196,557
Excess of Revenue	12,584	(3,945)	6,084	14,723	10,940
Fund transfers	(926)	926	-	-	-
NET ASSETS - Close	\$ 101,410	\$ 94,675	\$ 26,135	\$ 222,220	\$ 207,497



BC Turkey Association
Unaudited Balance Sheet
For the year ended December 31, 2010

	General	Capital	Restricted	2010	2009
ASSETS					
CURRENT ASSETS					
Cash & short term deposits	\$ 25,939	\$ -	\$ -	\$ 25,939	\$ 20,026
Temporary investments (Note 3)	101,058	-	-	101,058	100,000
Accounts receivable	3,221	-	-	3,221	2,951
Due from general fund (Note 6)	-	-	26,135	26,135	20,051
	130,218	-	26,135	156,353	143,028
CAPITAL ASSETS (Note: 2.a)					
Buildings	-	151,961	-	151,961	151,035
	-	151,961	-	151,961	151,035
Less: accumulated amortization	-	(57,286)	-	(57,286)	(53,341)
	-	94,675	-	94,675	97,694
TOTAL ASSETS	\$ 130,218	\$ 94,675	\$ 26,135	\$ 251,028	\$ 240,722
LIABILITIES & NET ASSETS					
CURRENT LIABILITIES					
Accounts payable & accruals	\$ 2,673	\$ -	\$ -	\$ 2,673	\$ 13,174
Due to restricted fund (Note 6)	26,135	-	-	26,135	20,051
	28,808	-	-	28,808	33,225
NET ASSETS	101,410	94,675	26,135	222,220	207,497
TOTAL LIABILITIES & NET ASSETS	\$ 130,218	\$ 94,675	\$ 26,135	\$ 251,028	\$ 240,722

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director



BC Turkey Association
Unaudited Statement of Cash Flows
For the year ended December 31, 2010

	General	Capital	Restricted	2010	2009
OPERATING ACTIVITIES					
Excess of Revenue from operations	\$ 12,584	\$ (3,945)	\$ 6,084	\$ 14,723	\$ 10,940
Add: non-cash items affecting operations					
Amortization - capital asset fund	-	3,945	-	3,945	3,909
Accounts receivable	(270)	-	-	(270)	174
Prepaid expenses	-	-	-	-	1,418
Accounts payable & accruals	(10,501)	-	-	(10,501)	(10,174)
	1,813	-	6,084	7,897	6,267
INVESTING ACTIVITIES					
Acquisition of capital assets	-	(926)	-	(926)	-
INCREASE IN CASH OR EQUIVALENTS	1,813	(926)	6,084	6,971	6,267
INTERFUND TRANSFERS	5,158	926	(6,084)	-	-
CASH - OPEN	120,026	-	-	120,026	113,759
CASH - CLOSE	\$ 126,997	\$ -	\$ -	\$ 126,997	\$ 120,026
CASH REPRESENTED BY:					
Cash on hand	\$ 25,939	\$ -	\$ -	\$ 25,939	\$ 20,026
Short term deposits	101,058	-	-	101,058	100,000
	\$ 126,997	\$ -	\$ -	\$ 126,997	\$ 120,026



BC Turkey Association
Notes to Unaudited Financial Statements
For the year ended December 31, 2010

1. DEFINITION OF ENTITY

The BC Turkey Association is organized to provide representation from the turkey growers to the poultry industry.

2. ACCOUNTING POLICIES

(a) Amortization

Capital assets are recorded at cost and are being amortized on the declining balance basis at the following rates:

Buildings	4 %
-----------	-----

(b) Revenue Recognition

The Association recognizes revenue using the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the applicable fund in the current period. Unrestricted contributions are recognized as revenue when received or receivable in the general fund, if the amounts to be received can be estimated and collection is reasonably assured.

(c) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(d) Fund Accounting

The association uses fund accounting procedures to account separately for resources that have been designated for specific purposes and to maintain stewardship responsibility. Established funds are as follows:

General

A central fund that bears the costs of conducting the association's primary functions, into which all unrestricted funds flow.

Capital

A fund in which the resources are intended for use in capital improvements or to acquire and finance new capital assets.

Restricted

A self imposed restricted fund intended to set aside surpluses from the Association's annual golf tournament. Any surplus from year to year is to be donated to a charitable organization.



BC Turkey Association
Notes to Unaudited Financial Statements
For the year ended December 31, 2010

3. TEMPORARY INVESTMENTS

Three year cashable guaranteed investment certificate at Bank of Montreal, with interest at 1% in year one, 1.05% in year two and 1.1% in year three. Original investment date of GIC was November 2009.

4. FINANCIAL INSTRUMENTS

Financial instruments are defined as a contractual right to either receive or deliver cash or another financial instrument to another party. The company's financial instruments consist of the following items:

- Cash
- Short-term investments
- Accounts receivable
- Accounts payable & accruals

All financial instruments are recorded at cost except for marketable securities, for which active quotes are available.

5. INCOME TAXES

The association is registered as a not for profit organization under the Society Act of British Columbia and as such is not subject to income taxes on its normal operations.

6. INTERFUND LOANS

Interfund loans are not subject to interest and are repayable on demand.

7. RELATED PARTY TRANSACTIONS

A substantial amount of the Association's income, both rental and grant income is derived from a related party, the BC Turkey Marketing Board. The rental income of \$24,000 (2009 \$24,000) is based on the fair value of rent for similar facilities at the time the multi-year lease was entered into. The grant income of \$25,275 (2009 \$24,372) is based on provincial turkey production. The B.C. Turkey Marketing Board collects levies from turkey producers and pays a grant on behalf of the turkey producers to the B.C. Turkey Association.



BC Turkey Association
Notes to Unaudited Financial Statements
For the year ended December 31, 2010

8. CHANGES IN PRIMARY SOURCES OF GAAP

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which is a framework available under Canadian generally accepted accounting principles (GAAP). The financial statements were prepared by applying the newly adopted accounting policies at the opening balance sheet date and throughout all periods presented. Any assets or liabilities required to be recognized or derecognized according to these standards are adjusted to opening retained earnings.

The association's new accounting policies are similar to those applied under the previous accounting framework and consequently there is no difference in opening retained earnings or comparative net income.

BC TURKEY ASSOCIATION
Budget for the year ending December 31, 2011

REVENUES

Rental Income	24,000
BCTMB Grant	28,000
Interest	1,000
TOTAL REVENUE	53,000

EXPENDITURES

Directors' Expenses	4,000
Directors' Per Diems	14,000
AGM & Grower Meetings	1,500
Sustainable Poultry Farming	3,000
BC Poultry Association	15,000
Professional Fees	3,600
Discretionary Expense (Sponsorship & Grower Education)	5,000
Bank Charges	100
Miscellaneous	1,000
Amortization	3,500
TOTAL EXPENSES	50,700

EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES **2,300**