

A close-up photograph of a center pivot irrigation system's riser pipe and wheel line assembly. The riser pipe is a dark, textured metal tube. Below it is a grey metal coupling, followed by a blue plastic elbow, an orange plastic elbow, and a black plastic wheel line. The wheel line has several small, blue, multi-spoke wheels. Water is spraying out from the bottom of the wheel line in a fan shape. In the background, a green field stretches out under a blue sky with some clouds. Another pivot system is visible in the distance. The image is overlaid with a semi-transparent green and blue diagonal band.

2024/25 IAF ANNUAL REPORT

**Delivering programs to support
a thriving agriculture and food sector in BC.**



**This Annual Report details
the period from April 1, 2024,
to March 31, 2025**

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ABOUT IAF

The Investment Agriculture Foundation of BC (IAF) delivers programs and services to support a thriving agriculture and food sector in British Columbia.

IAF is a recognized leader in providing high-quality and cost-effective program delivery services to the agriculture and food sector in BC. Since 1996, IAF has committed more than \$370 million to industry on behalf of the federal and provincial governments.

MESSAGE FROM THE CHAIR

Over the past year, IAF has continued to deliver programs that provide real value to producers and processors across British Columbia. From long-term projects focused on building resilience and productivity, to cross-sector collaboration supporting permitting and shared solutions, our work remains grounded in meeting the evolving needs of the sector.

Guided by IAF's Strategic Framework: Growing Together, the Board of Directors has worked closely with the Leadership Team to pursue new opportunities and strengthen relationships with both funders and clients. Together, we remain focused on ensuring our program delivery is high-quality, relevant, and responsive — especially in today's challenging and dynamic environment.

Looking ahead, IAF is well positioned to support the opportunities that may emerge from the Premier's Task Force on the Agriculture and Food Economy. As the Task Force explores priority areas such as water, labour, land, competitiveness, and investment, we are ready to contribute our experience and resources to help turn accepted advice into practical action benefiting the entire sector.

We know producers and processors are the roots that ground communities across this province. Your work contributes directly to food security, economic strength, and regional resilience — especially in the

face of ongoing climate and market challenges. It is our role to support you with the reliable tools and the trust you need to succeed.

The next couple of years will bring a natural transition for the Board, as long-serving members complete their terms. We are grateful for their leadership and dedication, and we look forward to welcoming new voices to help guide IAF's future with fresh insight and enduring commitment.

On behalf of the Board of Directors, thank you for your continued trust and collaboration. It is a privilege to support BC's agriculture and food sector.

JACK DEWIT

CHAIR, BOARD OF DIRECTORS



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

As we reflect on the past year, I'm incredibly proud of the work we've done together to support producers, processors, and the broader agriculture and food sector across British Columbia.

IAF continues to play a vital role in delivering funding programs that build resilience and support growth. From water infrastructure to food safety, environmental planning to labour solutions, our focus remains clear: deliver meaningful value to the people and communities who grow, raise, harvest, and process food in BC.

At the heart of our work is a commitment to service excellence. For IAF, that means not just administering funds, but listening, learning, and working alongside our clients to support their success. This year, over 500 clients took part in our annual Client Satisfaction Survey — and the results were both encouraging and insightful:

88% | OF CLIENTS SAID THEY WERE SATISFIED WITH THEIR EXPERIENCE WORKING WITH IAF

87% | FELT SUPPORTED AND VALUED IN THEIR INTERACTIONS WITH OUR STAFF

Clients also reported meaningful outcomes from their projects: improved operational efficiency, increased productivity, and reduced risk. These results reflect your hard work, paired with targeted, well-delivered support.

We also heard where we need to improve — including faster response times, clearer guidance, and quicker access to payments and approvals. This feedback drives how we will refine our systems, invest in our team, and improve the experience for everyone we serve.

This client-focused approach not only helps us serve you better — it applies to our relationships with funders, both established and new. We are driven to demonstrate professional trust and accountability to support long-term partnership alongside real-world impact and client satisfaction. To that end, IAF is reviewing how we deliver programs to ensure we remain the most cost-effective and impactful delivery partner for BC's agriculture and food sector.

Thank you for your collaboration, your feedback, and your continued partnership. We look forward to building even stronger programs — and a stronger sector — in the year ahead.

TJ SCHUR
CHIEF EXECUTIVE OFFICER



OUR BOARD OF DIRECTORS

OUR BOARD OF DIRECTORS IS A TEAM OF MEMBER-ELECTED INDUSTRY EXPERTS AND PROFESSIONALS WHO DRIVE THE STRATEGIC DIRECTION OF IAF. TOGETHER THEY OFFER A WEALTH OF EXPERIENCE AND EXPERTISE FROM THE AGRICULTURE AND FOOD SECTOR IN BC.

BOARD OF DIRECTORS AS OF MARCH 31, 2025:



Jack Dewit
Chair
-
Primary
Agriculture



David Eto
Vice Chair
-
Value-added
Food & Beverage
Processing



Mike Manion
Secretary
-
Agriculture-
Related



Paul Devick
Treasurer
-
Primary
Agriculture



Irmi Critcher
-
Primary
Agriculture



David Machial
-
Primary
Agriculture



James Pratt
-
Value-added
Food & Beverage
Processing



Corine Singfield
-
Primary
Agriculture



Ralph Van Dalfsen
-
Primary
Agriculture

OUR MEMBERS

OUR MEMBERS ARE COMPRISED OF FIFTEEN BC ORGANIZATIONS RESPONSIBLE FOR SIGNIFICANT ASPECTS OF IAF'S GOVERNANCE. TOGETHER, THEIR REPRESENTATIVES OFFER INSIGHTS INTO THE UNIQUE AND VARIED NEEDS OF BC'S AGRICULTURE AND FOOD SECTOR.

Each year at IAF's Annual General Meeting, representatives of our Member Organizations receive a report on financial statements and reports of the Board of Directors' activities and decisions; elect (or appoint) Directors; and appoint an Auditor. IAF relies on a diverse membership base to ensure broad sectoral representation.

MEMBER ORGANIZATIONS AS OF MARCH 31, 2025:

 BC blueberries Powered by nature.	 BCCA British Columbia Cattlemen's Association	 BC CHERRY ASSOCIATION	 cranberries
BC Blueberry Council Member since 2022	BC Cattlemen's Association Member since 1996	BC Cherry Association Member since 2022	BC Cranberry Marketing Commission Member since 2022
 BC DAIRY	 FOOD & BEVERAGE	 BC FRUIT GROWERS' ASSOCIATION	 BC Grain PRODUCERS ASSOCIATION
BC Dairy Association Member since 1999	BC Food & Beverage Association Member since 2022	BC Fruit Growers' Association Member since 1996	BC Grain Producers Association Member since 2001
 BC GREENHOUSE GROWERS' ASSOCIATION	 BC LANDSCAPE & NURSERY ASSOCIATION	 BC MEATS for BC FAMILIES	 BC pork Proudly Grown Close to Home
BC Greenhouse Growers' Association Member since 2002	BC Landscape & Nursery Association Member since 2002	BC Meats Member since 2022	BC Pork Producers Association Member since 2001
 BCPA BC POULTRY ASSOCIATION	 HORSE COUNCIL BRITISH COLUMBIA	 ORGANIC BC	
BC Poultry Association Member since 2005	Horse Council of BC Member since 2001	Organic BC Member since 2022	

GROWING TOMORROW:
IAF'S 2025-2030 STRATEGIC FRAMEWORK

THE STRATEGIC FRAMEWORK: GROWING TOMORROW WAS ADOPTED BY THE BOARD OF DIRECTORS IN JUNE 2024. THIS NEW FRAMEWORK BUILDS UPON THE ACHIEVEMENTS OF THE 2019 TO 2024 STRATEGIC FRAMEWORK AND WAS DEVELOPED IN CONSULTATION WITH IAF STAKEHOLDERS, MEMBER REPRESENTATIVES AND STAFF.



GOAL 1
Service-Centered
to Deliver
Excellence



GOAL 2
Diverse and
Impactful
Programs



GOAL 3
An Enduring
Resource for the
Sector

STRATEGIC PRIORITY 1
Build new systems to continue
to meet our own level of service
excellence.

STRATEGIC PRIORITY 3
Pursue new opportunities and
relationships to strengthen
agriculture and food.

STRATEGIC PRIORITY 4
Continue to grow and develop
the Trust to allow us to create
meaningful programs.

STRATEGIC PRIORITY 5
Enhance our governance to keep
pace with the transformation of
our organization.

STRATEGIC PRIORITY 2
Contribute to a more inclusive agriculture
and food community.

STRATEGIC PRIORITY 6
Create meaningful connections
with our stakeholders so they
understand who we are.

ACHIEVEMENTS TO DATE

THE FIRST YEAR OF GROWING TOGETHER HAS BEEN FOCUSED ON ESTABLISHING THE FOUNDATION FOR THE WORK TO COME. BELOW ARE THE HIGHLIGHTS:

● STRATEGIC PRIORITY 1:

Two years of growth and success necessitated that IAF adapt and improve its tools, internal processes, and program-delivery approach to strive towards service excellence for clients and funders alike. IAF has evolved program delivery to be more client-oriented, like time to work on applications and answer client calls [see our client survey results on page 10]. We have increased efficiency by working cross-functionally so that the whole organization delivers programs. IAF has recently undertaken a third-party review of our programs and services for efficiency and effectiveness, while continuing to embrace technology to better serve our project clients and funders to deliver the best programs possible.

● STRATEGIC PRIORITY 2:

IAF will seek to serve a more inclusive community, such as rural communities, Indigenous Nations, immigrants, and new entrants. This priority traverses across 2 of our 3 Goals, as IAF continues to recognize the diversity of the agriculture and food sector and our opportunity to serve our clients.

● STRATEGIC PRIORITY 3:

Through the work of the third-party program and service review, client surveys, and internal analysis, the IAF team has a clearer picture of our current landscape. From here, IAF is pursuing new opportunities to deliver to the sector, focusing on multiple facets of our clients and their predominantly rural environment. This will inform all our goals and demonstrate a path forward in ongoing business development.

● STRATEGIC PRIORITY 4:

The Growing Agriculture Trust is ever top of mind for IAF. While the Trust is not currently self-sustaining, IAF is refining policies and procedures that govern and grow the Trust. To that end, with membership and key stakeholder engagement, IAF will develop a Growth Plan to build the Trust providing long-term, sustainable funding.

● STRATEGIC PRIORITY 5:

Strategic governance ensures IAF's leadership, decision-making, and resource allocation are aligned with our long-term goals, values, and responsibilities. The IAF Board of Directors and Leadership Team are working together to ensure IAF's governance is positioning the organization to grow and thrive. Board policies and orientation packages are reviewed and refreshed to remain current and reflect IAF's position in the sector.

● STRATEGIC PRIORITY 6:

Propelled by our evolution, our growth, and our continued mandate to serve, IAF is exploring opportunities to strengthen and share the IAF story. Positioning the organization in a way that meaningfully reflects who we are, what we do, and where we're going in the future. Stay tuned for updates on this priority in the future!

2024/25 SNAPSHOT



\$83.5M
Committed to Projects



4,300
Phone Conversations



2,941
Total Applications Received



2,610
Projects Approved



6
Funding Partners



33
Programs Delivered/Under Contract



3,051
Active Projects

CLIENT EXPERIENCE SATISFACTION SURVEY

IAF COMMITS TO PROVIDING A STRAIGHTFORWARD AND STREAMLINED CLIENT EXPERIENCE. THE CLIENT EXPERIENCE IS FUNDAMENTAL TO IAF'S STRATEGIC FRAMEWORK AND WILL CONTINUE TO BE A FOCUS OF THE ORGANIZATION INTO THE FUTURE.

SUPPORTING CLIENTS

The IAF Client Portal is an interactive platform supporting positive client interaction, including drafting and applying, checking on funding status, submitting project reports, while allowing clients to share success, receive payments, and more! All this is supported by the IAF Team, who can be reached by phone, email, or applicants can book a scheduled call to discuss their application in detail.

Supporting clients during the reporting phase of the project is important! The IAF team proactively reaches out to hundreds of clients to ensure their project comes to a successful conclusion.

GOT A QUESTION?

WE'RE HERE TO HELP.

The IAF Team is dedicated to supporting the sector by picking up every phone call. We know many of our clients want one-on-one support, and the team is doing their best to be available. In 2024/25 (April 1, 2024, to March 31, 2025), the team received more than 4,300 phone calls – that's more than 15 calls per business day!

CLIENT SATISFACTION SURVEY

In 2024/25, IAF undertook its 2nd annual satisfaction survey to better understand the organization's impact in the communities we serve. Working with Malatest & Associates, clients who have projects through IAF-delivered programs were surveyed. Working with these results, and those from 2023/24, IAF is making data-driven advancements to staff training, IAF's systems, and more.

Part of the survey focuses on IAF clients' experiences working with front-line support staff. 88% of clients surveyed were satisfied with the support they received from IAF, with most clients reporting they felt supported and valued (85%), and their inquiries were taken seriously (87%). Only 5% of respondents were dissatisfied with their interaction, and 14% felt it was difficult to get in contact with IAF.

Year over year, IAF is seeing improvements in client satisfaction results. We continue to strive to make improvements, working to address response times and reduce application complexity where possible.

2025: 88%
2024: 85%

WERE SATISFIED WITH THE SUPPORT THEY RECEIVED FROM IAF TEAM

2025: 87%
2024: 82%

FELT QUESTIONS, COMMENTS AND CONCERNS, WERE TAKEN SERIOUSLY

2025: 83%
2024: 75%

FOUND IT EASY TO CONTACT IAF

DELIVERED BY IAF

PROGRAM		2024/25 PROJECT FUNDING AVAILABLE	FUNDING COMMITTED/ PROGRAM COMPLETED
AWDI: HR	● ●	\$1,500,000	YES
AWDI: INDIGENOUS FOOD SYSTEMS & AGRICULTURE SKILLS AND TRAINING	● ●	\$1,334,209	YES
AWDI: RECRUITMENT, RETENTION AND INNOVATIVE SKILLS PROGRAM	● ●	\$4,300,000	NO
AWDI: REGIONAL RECRUITMENT AND RETENTION OF VETERINARY SERVICE DELIVERY FOR FOOD ANIMALS PROGRAM	● ●	\$1,400,000	NO
AWDI: STUDENT SUMMER FARM WORK BURSARY PROGRAM	● ●	\$1,101,328	YES
AWDI: WORKFORCE ANALYSIS & PLANNING PROGRAM	● ●	\$139,350	NO
AGRICULTURE WATER INFRASTRUCTURE PROGRAM	●	\$50,000,000	NO
FSI: PERENNIAL CROP RENEWAL PROGRAM	●	\$5,950,000	YES
FSI: TREE FRUIT COOPERATIVE SUPPORTS PROGRAM ¹	●	\$5,000,000	YES
ENHANCED REPLANT PROGRAM	●	\$17,599,500	NO
OFCAF: BC AGRI-CLIMATE SOLUTIONS FUND	●	\$2,646,522	YES
OFCAF: BC LIVING LAB ¹	●	\$915,581	YES
S-CAP, FSI & AWP: BENEFICIAL MANAGEMENT PRACTICES PROGRAM	● ●	\$33,999,307	YES
S-CAP: ENVIRONMENTAL FARM PLAN PROGRAM ¹	● ●	\$925,000	YES
S-CAP: EXTREME WEATHER PREPAREDNESS FOR AGRICULTURE	● ●	\$1,710,000	YES
S-CAP: FOOD SAFETY PROGRAM	● ●	\$1,505,496	YES
S-CAP: TRACEABILITY ADOPTION PROGRAM	● ●	\$1,111,363	YES
FARMLAND ADVANTAGE ¹	● ● ●	\$3,787,641	YES
LIVESTOCK WASTE TISSUE INITIATIVE ²	●	\$465,791	NO
POULTRY BIOSECURITY PROGRAM ²	●	\$154,747	NO
TREE FRUIT INDUSTRY STABILIZATION PLAN ²	●	\$3,972,305	NO
BEE HEALTH PROGRAM	●	\$75,000	YES
TOTAL		\$139,593,140	

LEGEND

AWDI	Agricultural Workforce Development Initiative
FSI	Food Security Initiative
OFCAF	On-Farm Climate Action Fund
S-CAP	Sustainable Canadian Agricultural Partnership

- Program funded by other funding sources
- Program funded by the Government of Canada
- Program funded by the Government of BC

FOOTNOTES

- Not an application-based program
- Balance as of March 31, 2025. No programs were run in 2024/25.

NEW PROGRAMS IN 2024/25

AGRICULTURE WATER INFRASTRUCTURE PROGRAM

Building on the success of the Food Security Initiative, the Agriculture Water Infrastructure Program (AWP) aims to increase the adoption of efficient irrigation infrastructure and improve agricultural water supply and management in British Columbia. Through this \$80M multi-year investment, the Government of BC seeks to see improvements to stream flows, fish populations, and an increased and more sustainable food production.

890 applications were submitted for funding from AWP in 2024/25. \$39.7M was committed to projects (including Beneficial Management Practices projects), ranging from on-farm dugouts to off-farm ditch-to-pipeline conversions, to community-based water infrastructure projects.

ENHANCED REPLANT PROGRAM

The multi-year Enhanced Replant Program (ERP) provides support to help wine grape, berry, and tree fruit producers replace existing acreage with climate-resilient varieties that produce in-demand, premium fruit.

Funded through the Ministry of Agriculture and Food, ERP seeks to increase the competitiveness and resiliency of the BC agri-food economy in domestic and global markets.

Across the four streams, 303 applications were received in 2024/25. 180 projects were funded, resulting in total committed funding of more than \$8.4M.

TREE FRUIT CLIMATE CHANGE RESPONSE FUND

The 2025 British Columbia Tree Fruit Climate Change Response Fund (Fund) is a \$10-million one-time payment fund, to support tree fruit growers in response to the significant challenges faced over the past four years, and the ongoing threats impacting the sector.

This Fund was administered by IAF, with program delivery led by the BC Ministry of Agriculture and Food within their systems. IAF's role was to support client inquiries, complete application/appeal adjudication, and make payments.

EXPANSION!

ON-FARM CLIMATE ACTION FUND

IAF is delivering two programs under the On-Farm Climate Action Fund (OFCAF), the BC Living Lab (LL-BC) and the BC Climate Agri-Solutions Fund (BCCAF); funded by Agriculture and Agri-Food Canada. IAF is pleased to continue the OFCAF program delivery into 2028; in addition to the LL-BC, IAF has signed a new agreement to deliver the Climate Agri-Solutions Fund (CAF), both here in BC and to agricultural producers in Yukon for 2025/26 forward.



BRITISH
COLUMBIA

Canada

OUR TEAM

THE IAF TEAM WORKS HARD TO PROVIDE THE BEST PROGRAM DELIVERY EXPERIENCE POSSIBLE.

This is the team behind our phones and emails, supporting our clients as they complete projects that support a thriving BC agriculture and food sector.

As of March 31, 2025:



LEADERSHIP TEAM

TJ SCHUR
Chief Executive Officer

BRENDA GENDRON
Chief Financial Officer

CHRISTOPHER REED
Chief Operating Officer

HENDRIK STEENKAMP
Programs Director

KELSI STILES
Communications &
Programs Director

JUDI PEACOCK
Executive Assistant &
Secretary to the Board

OPERATIONS TEAM

ALLISON LUNDY
Operations Manager

BRENDAN RICHARDSON
IT Coordinator

BIANCA HERMOSO
IT Coordinator

COMMUNICATIONS TEAM

AMY FRUEH
Communications Coordinator

CHRISTINE HALL
Communications Coordinator

ELIZABETH KAPLAN
Communications Coordinator

PROGRAM DELIVERY TEAM

ALANA WILSON
Program Manager

DESIREE NEUFELD
Program Manager

MEGAN CLAXTON
Acting Program Manager

MICHELLE REDEKOPP
Program Manager

AARON GILLESPIE
Project Coordinator

AMELIA SMITH
Project Coordinator

DEREK VOITIC
Project Coordinator

JONELLE JOSEPH
Project Coordinator

KRITIKA JHA
Project and Contractor
Coordinator

FINANCE TEAM

JENNIFER POULSEN
Finance Manager

MUSTAFA ASAAD
Senior Finance Analyst

CAMILLA BASTOS
Finance Coordinator

JULIA HALL
Finance Coordinator

TAYLOR MORRIS
Finance Coordinator

CONTRACTED EXPERTS

THE IAF TEAM DOESN'T DO ALL THIS ALONE! WE ARE PROUD TO CONTRACT A DEDICATED GROUP OF INDIVIDUALS TO ASSIST US IN OUR DELIVERY EXCELLENCE.

IAF has many contracted experts, from advisors who work with BC farmers and ranchers to create Environmental Farm Plans or complete Farmland Advantage assessments, to dedicated technical experts who use their extensive experience to inform IAF project adjudication and program development. This group of contractors make our success possible - and we acknowledge their excellent work.

57

CONTRACTED AND TECHNICAL EXPERTS

6

BC CLIMATE AGRI-SOLUTIONS FUND EXPERTS

27

ENVIRONMENTAL FARM PLAN ADVISORS

1

TRACEABILITY ADOPTION PROGRAM ADVISOR

19

FARMLAND ADVANTAGE EXPERTS

2

FOOD SAFETY TECHNICAL EXPERTS

4

ENHANCED REPLANT PROGRAM EXPERTS

FINANCIAL REPORT



Independent Auditors' Report

Doane Grant Thornton LLP
Suite 650
1675 Douglas Street
Victoria, BC
V8W 2G5

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F +1 250 381 4623

To the members of the B.C. Investment Agriculture Foundation

Opinion

We have audited the financial statements of B.C. Investment Agriculture Foundation ("the Foundation"), which comprise the statement of financial position as at March 31, 2025, and the consolidated 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 B.C. Investment Agriculture Foundations at March 31, 2025, and its results of its operations and its 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 Foundation 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Foundation'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:

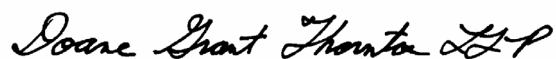
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Foundation'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 Foundation'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 Foundation 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.

Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

Victoria, Canada
August 7, 2025



Chartered Professional Accountants

B.C. Investment Agriculture Foundation

Statement of Financial Position

Year ended March 31

	Operating Fund	IAF Trust	Active Programs	2025 Total	2024 Total
Assets					
Current					
Cash	\$ 1,109,930	\$ 5,168	\$ -	\$ 1,115,098	\$ 7,354,274
Investments (cost: 183,414,165)	1,715,982	20,391,639	166,531,433	188,639,054	212,209,070
Accounts Receivable	15	-	15,551,395	15,551,410	4,100,095
Cash Held in Trust (Note 3)	-	-	1,102,423	1,102,423	-
Government Remittances Receivable	145,144	-	-	145,144	87,575
Prepaid Expenses	131,033	-	-	131,033	126,381
Due To/From Other Funds	(270,203)	(213,212)	483,415	-	-
	<u>2,831,900</u>	<u>20,183,595</u>	<u>183,668,665</u>	<u>206,684,160</u>	<u>223,877,394</u>
Tangible Capital Assets (Note 4)	<u>171,024</u>	<u>-</u>	<u>-</u>	<u>171,024</u>	<u>10,250</u>
	<u>3,002,923</u>	<u>20,183,595</u>	<u>183,668,665</u>	<u>206,855,184</u>	<u>223,887,644</u>
Liabilities and Net Assets					
Current					
Accounts Payable and Accrued Liabilities (Note 5)	<u>316,055</u>	<u>1,571</u>	<u>766,734</u>	<u>1,084,359</u>	<u>6,597,178</u>
	<u>316,055</u>	<u>1,571</u>	<u>766,734</u>	<u>1,084,359</u>	<u>6,597,178</u>
Deferred Administration Contributions (Note 6)	-	-	12,623,608	12,623,608	13,164,498
Deferred Government Contributions (Note 6)	-	-	149,262,683	149,262,683	175,148,863
	<u>316,055</u>	<u>1,571</u>	<u>162,653,024</u>	<u>162,970,650</u>	<u>194,910,539</u>
Net Assets					
Unrestricted Funds	<u>2,515,845</u>	<u>20,182,024</u>	<u>21,015,641</u>	<u>43,713,510</u>	<u>28,966,855</u>
Invested in Tangible Capital Assets	<u>171,024</u>	<u>-</u>	<u>-</u>	<u>171,024</u>	<u>10,250</u>
	<u>2,686,869</u>	<u>20,182,024</u>	<u>21,015,641</u>	<u>43,884,534</u>	<u>28,977,105</u>
	<u>\$ 3,002,923</u>	<u>\$ 20,183,595</u>	<u>\$ 183,668,665</u>	<u>\$ 206,855,184</u>	<u>\$ 223,887,644</u>

Committed funds (Note 8) and Commitments (Note 9)

On behalf of the Board  Director

See accompanying notes to the financial statements.

B.C. Investment Agriculture Foundation Statement of Operations

Year ended March 31

	Operating Fund	IAF Trust	Active Programs	2025 Total	2024 Total
Revenues					
Government DPP Contributions	\$ -	\$ -	\$ 62,904,531	\$ 62,904,531	\$ 43,530,001
Government Grants	-	-	-	-	9,710
IAF Administration Fees	-	-	5,186,472	5,186,472	5,922,967
Investment Income	247,806	615,020	5,152,438	6,015,264	2,180,727
Membership Dues	2,250	-	-	2,250	2,250
Other DPP Contributions	-	-	107,500	107,500	102,500
Unrealized gain on investments	1,438	1,105,949	6,340,480	7,447,867	4,716,603
	251,494	1,720,969	79,691,421	81,663,884	56,464,758
Expenses					
Operating Expenses					
Directors' Fees and Expenses	101,977	-	16,485	118,462	83,507
General Administration	325,328	104,557	692,452	1,122,336	746,239
Salary & Benefits	285,406	-	1,990,854	2,276,259	2,025,028
Project Expenditures					
Direct Project Payments	-	-	57,982,916	57,982,916	39,520,745
Direct Program Costs	712,710	104,557	5,256,481	5,256,481	4,160,144
			65,939,188	66,756,455	46,535,663
Excess (deficiency) of revenues over expenses	\$ (461,216)	\$ 1,616,412	\$ 13,752,233	\$ 14,907,429	\$ 9,929,095

See accompanying notes to the financial statements

B.C. Investment Agriculture Foundation Statement of Changes in Net Assets

Year ended March 31

	Operating Fund	IAF Trust	Active Programs	2025 Total	2024 Total
Net assets, beginning of year	\$ 3,148,085	\$ 18,565,612	\$ 7,263,408	\$ 28,977,105	\$ 19,048,010
Excess (deficiency) of revenues over expenses	(461,216)	1,616,412	13,752,233	14,907,429	9,929,095
Net assets, end of year	\$ 2,686,869	\$ 20,182,024	\$ 21,015,641	\$ 43,884,534	\$ 28,977,105

See accompanying notes to the financial statements.

B.C. Investment Agriculture Foundation

Statement of Cash Flows

Year ended March 31

2025

2024

Increase (decrease) in cash

Operating

Excess of revenue over expenditures	\$ 14,907,429	\$ 9,929,095
Amortization	42,756	8,398
Unrealized gain on investments	(7,447,867)	(4,716,603)
	<u>7,502,318</u>	<u>5,220,890</u>
Change in non-cash operating working capital		
Accounts Receivable	(11,451,317)	118,710,094
Cash Held in Trust	(1,102,423)	-
Government Remittances Receivable	(57,569)	(22,371)
Prepaid Expenses	(4,652)	(21,055)
Accounts Payable and Accrued Liabilities	(5,512,819)	4,119,358
Deferred Administration Contributions	(540,890)	1,896,312
Deferred Government Contributions	(25,886,180)	42,239,666
	<u>(37,053,530)</u>	<u>172,142,894</u>

Investing

Net change in investments	31,017,883	(182,406,672)
Purchase of tangible capital assets	(203,530)	(10,250)
	<u>30,814,353</u>	<u>(182,416,922)</u>

Net decrease in cash (6,239,177) (10,274,027)

Cash, beginning of year 7,354,274 17,628,301

Cash, end of year \$ 1,115,098 \$ 7,354,274

See accompanying notes to the financial statements.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

1. Purpose of the Foundation

The B.C. Investment Agriculture Foundation (the "Foundation") was incorporated under the British Columbia Society Act as a not-for-profit Society on October 31, 1996 and transitioned in accordance with the New Society Act on October 1, 2018. The Foundation has 15 member organizations representing the agri-food, rural and agri-business sectors. The Foundation is dedicated to assisting British Columbia's producers, processors, agri-business and rural communities to adapt, diversify and grow. A Board consisting of 9 directors, representing six primary agriculture seats, two processor seats, and one agriculture related seat.

The Foundation is exempt from income taxes under the Income Tax Act (Canada).

The Foundation invests, manages, and disburses provincial and federal funds under a number of programs as follows:

(i) IAF Trust and Operating Fund

The Foundation created a Trust and Operating Fund in 2021 to provide a solid financial base to continue its investments in agriculture development. The funds within the Trust were those proposed in 2020 as legacy programs no longer operating. The Trust records net investment income and expenses not otherwise allocated to other Funds. The goal is to grow the Trust over time to fund projects and programs that the IAF board with input from its members that were thought to be strategically significant and/ or impactful to the agriculture and agri-food sector.

The investment income from the sustaining fund is also used to assist sustain IAF operations in years where the cost of delivery exceeds administration fees collected to cover operational costs.

(ii) Active Program Funds

Agricultural Climate Solutions – Living Labs (ACS) – BC Living Labs is a producer-centric research and development project focused on climate change mitigation practices that benefit the environment while meeting farmers needs.

Agricultural Water Infrastructure (AWI) – this program is supported through Agriculture and Agri-food Canada's Agricultural Climate Solutions program. It supports the integration of scientific research and farming operations, with the goal of increasing the adoption of effective practices and technologies that help farmers contribute to climate change mitigation and improve the natural environment.

Agricultural Water Infrastructure Program (AWP) –funded through the Government of BC, AWP aims to increase adoption of efficient irrigation infrastructure and improve agricultural water supply and management.

BC Climate Agri-Solutions Fund (BCCAF) – Provides funding to help farmers tackle climate change by adopting beneficial managing practices (BMPs). BCCAF is funded by the Government of Canada through the On-Farm Climate Action Fund (OFCAF). The objective of BCCAF is to support farmers in adopting beneficial management practices (BMPs) that store carbon and reduce greenhouse gases, specifically in the areas of Nitrogen Management, Cover Cropping, Rotational Grazing.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

1. Purpose of the Foundation (continued)

BMP Program – Funded by the Canadian Agricultural Partnership Program, a federal-provincial-territorial initiative, the Beneficial Management Practices Program assists farm and ranch operations to mitigate some of the risks identified in the farm-specific Environmental Farm Plans (EFPs) through cost-shared funding.

EFP Program – Funded by the Canadian Agricultural Partnership Program, a federal-provincial-territorial initiative, the Environmental Farm Plan Program aims to provide farm and ranch operators with the means to identify agri-environmental risks and opportunities.

EWP Program – EWP offers cost-shared funding to eligible BC-based businesses that aims to increase farm-level climate resistance to extreme weather events.

ERP Program – Provides support to help wine grape, berry, and tree fruit producers replacing existing acreage with climate-resilient varieties that produce in-demand, premium fruit.

Farmed Animal Disease Program (FAD) – FAD allows the BC livestock and poultry industry to invest in planning, preparedness, prevention, and mitigation for federal or provincial regulated diseases or significant emerging farmed animal diseases.

Farm Land Advantage Program – Farmland Advantage assesses the health of targeted ecosystems on BC farmland, identifying areas of high risk or high potential for improved ecosystem health. FLA partners with farmers and other groups in targeted areas to implement enhancement measures and provide compensation and recognition to farmers. The program has attracted funding from various funding partners to support Riparian, Grasslands and Wildfire areas of concern.

Food Affordability and Innovation Fund (FAI) - Consisting of two programs, the Small Food Processors Scale-Up Program (SFPS) and the Food Storage, Distribution and Retail Program (FSDR), FAI supports approaches and collaborations at strategic nodes along the food supply chain to strengthen and streamline logistics, storage and transportation and improve access to affordable food, particularly in remote, rural, and/or indigenous communities.

Food Processing Growth Fund (FPG) - FPG helps BC's value-added food processing sector scale up operations to increase productivity, business opportunities and competitiveness.

Food Safety Program (FSP) - FSP seeks to increase adoption of new or improving existing food safety practices and systems by BC on-farm and BC post-farm businesses to enable the BC agrifood sector to meet existing and new national and international food safety regulatory requirements.

Food Security Emergency Planning and Preparedness Fund (FSPP) - FSPP allows agricultural producers, industry associations and local authorities to develop emergency plans and preparedness strategies with a unique focus on food security and agricultural resiliency.

Fraser Valley Flood Mitigation Program (FVF) - FVF provides funding to agricultural producers and/or organizations at high risk of flooding for solution-focused flood mitigation projects, including riparian and ecosystems/habitat restoration.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

1. Purpose of the Foundation (continued)

Indigenous Food Systems and Agriculture (IFSAP) – This program supports First Nations and Indigenous communities, businesses, and organizations in increasing food security and sovereignty over their food systems and strengthens Indigenous peoples' success within the agriculture and food sector.

Indigenous Food Systems & Agriculture Skills & Training (ISAT) - ISAT supporting Indigenous Nations, communities, businesses, and organizations to increase Indigenous participation in agriculture, seafood, food processing and related community economic development initiatives.

Mental Health Wrap Around Supports (MHS) - Funding to AgSafe to continue its work to establish the Health and Wellbeing of Agriculture Workforce Program.

Perennial Crop Renewal Program (PCRP) - PCRP is a multi-year, multi-commodity program to support projects that evaluate or define agronomic and market opportunities.

Recruitment, Retention and Innovative Skills and Training Program (RRIST) - RRIST will help industry adopt, implement, and/or scale innovative tools, processes, practices and/or resources to raise awareness of, attract, retain, and develop people to work in agriculture and food.

Regenerative Agriculture Practices and Technology Adoption Training Program (RAPT) - RAPT supports labour improvement and efficiencies by updating or developing training, educational resources, and curriculum specific to regenerative agriculture practices, Agri-tech adoption, and transitioning to regenerative practices.

Regional Recruitment and Retention of Veterinary Service Delivery (VET) – VET provides funding to assist the agriculture sector to attract, retain, and develop people to work in veterinary services in British Columbia.

Student Summer Farm Work Bursary Program (SSB) - Students working in BC agriculture in the summer season can qualify for a bursary of up to \$3000 through this program.

Traceability Adoption Program (TAP) -TAP provides cost-shared funding to agrifood and seafood producers, processors, indigenous governments, associations, and organizations to support the purchase and installation of traceability systems, practices, technologies or infrastructure.

Tree Fruit Industry Stabilization Plan (TFC) - TFC funds initiatives with sound business rationale and whole sector benefits based on recommendations of the Tree Fruit Industry Stabilization Plan.

Workforce Analysis and Planning Program (WAPP) - WAPP provides cost-shared funding to identify, develop, and support projects that enhance domestic agriculture and food workforce development and labour market strategies in BC.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies

Basis of presentation

The Foundation has prepared these financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") and include the following significant accounting policies.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions and records its activities in the following funds:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenues in the year in which the related expenses are incurred. Contributions restricted for the purpose of acquiring capital assets are recorded as deferred capital contributions and are amortized into revenue over the useful lives of the corresponding assets acquired.

Investment income is recorded as revenue when income is earned and fluctuations in the market value of investments are recorded as investment income in the year such fluctuations occur.

Investments measured at fair value

Portfolio investments, which are comprised of bonds and fixed income securities, are carried at fair market value.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, deposits held on call with banks, other short-term highly liquid investments which are readily convertible to known amounts of cash and bank overdrafts. The Foundation considers securities with original maturities of three months or less to be readily convertible to known amounts of cash. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet

Amortization

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value if the fair value can be reasonably determined. All capital assets are subsequently measured at cost or fair market value less accumulated amortization.

Capital assets are amortized using the declining balance method over its useful life at the following rates:

Leasehold improvements - 10%
Furniture and equipment - 20%

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Impairment of long-lived assets

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

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) requires management to make estimates and assumptions that affect the reported amounts of assets, and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the valuation of investments, collectability of accounts receivable, amount of accrued liabilities, and amount of deferred administrative and government contributions. Actual results could differ from management's best estimates as additional information becomes available in the future.

Operating leases

An operating lease is a lease whereby substantially all of the benefits and risks incidental to ownership of the property are not transferred to the Foundation. Lease rentals under operating leases are included in the determination of net income over the lease term on a straight-line basis.

Donated Goods and Services

The Foundation records donated goods and services as a contribution and corresponding expense where the amounts are reasonably determinable.

Program Expenditure Recognition

The Foundation records amount advanced under approved projects as an expense upon receipt and approval of prescribed contractual requirements.

Financial Instruments

The Foundation considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Foundation accounts for the following as financial instruments:

- cash
- investments
- accounts receivables
- accounts payable and accrued liabilities

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Financial Instruments (continued)

A financial asset or liability is recognized when the Foundation becomes party to contractual provisions of the instrument.

Financial assets or liabilities in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Financing fees and transaction costs on financial instruments subsequently measured at fair value are expensed as incurred.

The Foundation subsequently measures all of its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets subsequently measured at cost or amortized cost less any reduction for impairment include cash and accounts receivables.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Financial instruments subsequently measured at fair value include investments. The fair value of investments in publicly traded companies has been determined using the closing price at year end.

Financing fees and transaction costs related to the origination, acquisition, issuance or assumption of financial assets and financial liabilities subsequently measured at cost or amortized cost, are included as part of the adjusted fair value of the financial asset or financial liability on initial measurement. Subsequent to initial measurement the fees and costs are amortized into income on a straight-line basis over the term of the related debt. All other transaction costs are recognized in income in the period incurred.

The Foundation removes financial liabilities, or a portion thereof, when the obligation is discharged, cancelled or expires.

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Allocation of Expenses and Investment Income among Funds

The Foundation has allocated expenses and investment income among the funds as follows:

- expenses directly attributable to a Fund are charged to the Fund to which they relate;
- non fund specific expenses that are indirectly related to programs are recorded and allocated across applicable program Funds;
- all other non-fund expenses that are unrelated to programs are recorded in the Operating Fund where they are expected to be covered by investment revenues allocated to that Fund;
- investment income and investment management and custodian fees are recorded in their respective Funds.

3. Cash held in trust

Cash held in trust represents cash held by Alvarez and Marsal Canada Inc. as the monitor to the BC Tree Fruits Cooperative. The remainder of the funds were disbursed subsequent to year end on May 6, 2025.

4. Capital assets

			<u>2025</u>	<u>2024</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Furniture and equipment	\$ 43,468	\$ 8,694	\$ 34,774	\$ -
Leasehold improvements	<u>170,312</u>	<u>34,062</u>	<u>136,249</u>	<u>10,250</u>
	<u>\$ 213,780</u>	<u>\$ 42,756</u>	<u>\$ 171,024</u>	<u>\$ 10,250</u>

5. Government Remittances

Included in accounts payable and accrued liabilities are \$35,132 (2024: \$18,234) of government remittances.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

6. Deferred contributions

Deferred contributions relate to restricted funding received for future periods that for which the corresponding expenditures have yet been incurred.

	Administration fees	Government contributions
Balance, beginning of year	\$ 13,164,498	\$ 175,148,863
Received during the year	2,445,932	29,709,071
	15,610,430	204,857,934
Less: amounts recognized as revenue	(2,986,822)	(55,595,251)
Balance, end of year	\$ 12,623,608	\$ 149,262,683

7. Remuneration disclosure

Under the British Columbia Societies Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year ended March 31, 2025, the Foundation paid \$49,519 (2024: \$41,344) to directors.

During the year ended March 31, 2025, the Foundation paid \$1,205,178 (2024: \$1,290,432) in remuneration to ten (2024: ten) people who are employees or contractors, whose remuneration during the applicable period was at least \$75,000.

8. Committed funds

The Foundation has made various commitments to make program expenditures. Some funds are committed by way of contract with program fund recipients, some funds have been committed by approval of the Board but are awaiting execution of a signed contract, and other funds have been reserved by the Board to apply to specific approved projects and initiatives. As at March 31, 2025, the Foundation had approved the funding of projects committing the Foundation to payments approximately as follows:

	Active Programs
2026	\$ 58,223,376
2027	8,898,009
2028	974,070
2029	264,515
Total Funds committed	\$ 68,359,970

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

9. Lease commitments

The Foundation's total future minimum lease payments under operating lease commitments over the next five years are as follows:

2026	\$	66,906
2027		69,161
2028		69,913
2029		72,168
2030		54,126
	\$	<u>332,274</u>

In addition to the above noted minimum lease payments the Foundation is also obligated to pay their share of operating costs, which fluctuate year to year.

10. Employee future benefits

The Foundation offers employees certain future benefits including contributions to a retirement savings plan, during the year the Foundation paid \$139,361 (2024 - \$129,986). The amounts are included within the salary and benefits in the statement of operations.

11. Financial instruments

The Foundation, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of those risks.

Credit Risk

Credit risk is the risk that the Foundation will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist primarily of cash and accounts receivable. The Foundation limits its exposure to credit risk by placing its cash with high credit quality financial institutions, in accordance with policies adopted by the Board. Accounts receivables are due from the federal and provincial governments, and various agriculture associations in the normal course of its operations. There was no significant change in exposure from the prior year.

Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet its obligations as they fall due. The Foundation maintains adequate levels of working capital to ensure all its obligations can be met when they fall due and tracks commitments to ensure funds committed do not exceed fund balances as outlined in (Note 9).

The Foundation has adopted by laws established in accordance with the Society Act to limit the amount of credit exposure in any one type of investment instrument and to ensure investments meet specified minimum standards of quality. The Foundation has also adopted an investment policy pursuant to which investments are managed conservatively to secure the preservation of capital and the availability of liquid funds as required by the Foundation. The Foundation retains a qualified investment firm to invest surplus funds in accordance with its investment policy.

B.C. Investment Agriculture Foundation

Notes to the Financial Statements

March 31, 2025

11. Financial instruments (continued)

Market Risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Foundation holds investments in equities, therefore is subject to market risk. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Foundation is mainly exposed to currency risk and interest rate risk.

Currency Risk

Exposure to currency risks arises due to fluctuations in foreign exchange rates, which will affect the cash flows of financial instruments. The Foundation has 2.49% (approximately \$5.3 million) of its total investments denominated in \$US and converted into Canadian dollars. This is in the ranges established in accordance with the Foundation's Investment Policy Statement and does not represent a significant change in exposure from the prior year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of fixed-rate instruments subject the Foundation to a fair value risk while the floating-rate instruments subject it to a cash flow risk. There was no significant change in exposure from the prior year.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments quoted in an active market. The Foundation has adopted by laws established in accordance with the Society Act to limit the amount of credit exposure in any one type of investment instrument and to ensure investments meet specified minimum standards of quality. The Foundation has also adopted an investment policy pursuant to which investments are managed conservatively to secure the preservation of capital and the availability of liquid funds as required by the Foundation. The Foundation retains a qualified investment firm to invest surplus funds in accordance with its investment policy.

We gratefully acknowledge the financial support of the Province of British Columbia and the Government of Canada through the various programs delivered by IAF.



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THE ENTIRE IAF TEAM IS PROUD TO REPRESENT AN ORGANIZATION DEDICATED
TO THE AGRICULTURE AND FOOD SECTOR IN BC FOR OVER 25 YEARS.