

ANNUAL REPORT



YEAR ENDING
DECEMBER 31st, 2022

COMMENTS FROM THE CHAIR



While the global “shut down” mentality of the pandemic continued to recede in the first few months of 2022, the costs of goods, supply chain issues and rising interest rates resulted in higher costs for growers and consumers at the store shelf. As with many other commodities, 2022 fresh grape prices increased to help offset the increased costs of production and marketing. As a result, net returns for the year held stable. Thankfully, the fresh grape growing season in Ontario saw close to average temperatures and rainfall resulting in decreased volumes of only 6% from the previous year. Excellent quality and strong demand from consumer and retail partners brought about swift movement of the crop throughout the marketing season.

New and diverse variety development continues to be a key initiative in the overall strategy to move the industry forward. With project funding provided by AAFC through the Canadian Agricultural Partnership Agri-Science Program, and in partnership with Vineland Research and Innovation Centre and Brock University, new, promising, seedless grape cultivar plantings are being evaluated in Ontario’s climate and marketplace. Together with assistance provided by the Greenbelt Foundation’s Tree Fruit and Vine Planting Program, plantings of Ontario’s newest “Jupiter” grape increased in 2022 with more vines projected to be planted in 2023. These two initiatives have been imperative in bolstering the industry forward with new diverse varieties that are better able to withstand the extremes of climate change and provide a consistent supply of local table grapes to meet an increasing and ever-evolving consumer demand.

I would like to acknowledge and thank OMAFRA for the funding assistance provided through the Grassroots Growth Initiative, and in particular, Foodland Ontario for their teamwork and continued support for Ontario fresh table grapes. With their help the Ontario Fresh Grape Growers were able to offer a strong, impactful 2022 promotion and market development program.

Government support has been and continues to be critical to the future success of Ontario’s fresh table grape industry. Federal and provincial programs including risk management programs such as AgriStability, AgriInvest and Crop Insurance, as well as funding programs focused on Research and Innovation, Market Development and Commercialization are vital. The Ontario Fresh Grape Growers sincerely thank the government for their support in making this suite of programs possible and look forward to partnering with government under the Next Policy Framework as our industry focuses on moving forward with sustainable and resilient expansion initiatives.

I would like to extend my thanks to the Board of Directors, the Growers’ Committee and the staff for their continued support and dedication through this past year.

Lastly, I would like to honour the memory of our fellow colleague and friend, Bart Huisman, who passed away in early 2023. Bart was a longstanding Board member and after his tenure on the board, remained active on committees. He was a passionate advocate for Ontario’s grape industry and will be remembered for his determination and his many tireless efforts and years of service.

Respectfully submitted,

A handwritten signature in dark ink that reads "D. Hipple". The signature is written in a cursive, slightly slanted style.

David Hipple,
Chair

ONTARIO FRESH GRAPE GROWERS' MARKETING BOARD
57th ANNUAL REPORT

FRESH MARKET VOLUMES

Note: Average container unit weights have been updated in 2022 and restated for 2021.

TABLE 1
FRESH MARKET VOLUMES REPORTED TO THE BOARD (Tons)
2018 - 2022

	2018	2019	2020	2021	2022	% Change	% Change
MARKETER	Tons	Tons	Tons	Tons	Tons	2022 vs 2021	2022 vs 5 year average
Niagara Dealers	1,643	1,937	1,344	2,231	2,066	-7%	13%
Licensed Producers	51	51	29	22	52	141%	11%
TOTAL	1,694	1,988	1,373	2,253	2,119	-6%	13%

2022 fresh market volumes reported to the Board were down 6% overall from 2021 and up 13% from the previous five-year average (1,871 tons - 2017–2021).

AVERAGE NET RETURNS

TABLE 2
AVERAGE NET RETURNS FOR SALES THROUGH ONTARIO DEALER-SHIPPERS
2018 – 2022

Year	Net Farm Gate Value	Average Net Return Per Ton	Total Dealer Volume (Tons)
2022	\$3,874,225	\$1,875	2,066
2021	\$4,115,294	\$1,844	2,231
2020	\$2,510,150	\$1,867	1,344
2019	\$3,375,250	\$1,743	1,937
2018	\$2,891,469	\$1,759	1,643

*Returns are net of shipper commission, board fee, and container cost deductions.

Average net returns to producers selling through appointed dealers are up 1.6% in 2022 from the previous year and up 4.3% from the previous five-year average (\$1,797/ton - 2017–2021).

GROSS FARM GATE VALUE

TABLE 3
GROSS FARM GATE VALUE OF FRESH GRAPES
2020 - 2022

FRESH MARKET	2020 VOLUME TONS	2021 VOLUME TONS	2022 VOLUME TONS	% CHANGE '22 VS '21	2020 VALUE \$	2021 VALUE \$	2022 VALUE \$	% CHANGE '22 VS '21
Grapes	1,373	2,171	2,119	-2.4%	3,778,733	6,329,321	6,261,791	-1.1%

Total gross farm gate value of Ontario's fresh grape crop decreased by 1.1% in 2022 due to decrease in crop yield versus 2021 volumes.

FRESH GRAPE PRODUCTION

TABLE 4
GPS MAPPED FRESH GRAPE PRODUCTION BY DISTRICT
2022

Variety	District 1	District 2	2022 Total	2021 Total
Sovereign Coronation	250.54	44.62	295.16	293.64
Fredonia	-	33.87	33.87	34.74
Experimental Labrusca	5.86	1.30	7.16	6.38
Himrod	2.71	0.29	3.00	2.95
Patricia	-	2.87	2.87	2.87
Van Buren	0.60	0.42	1.02	1.02
Suffolk Red	-	-	-	0.59
Grand Total	259.71	83.37	343.08	342.19

*estimated GPS mapped acreage represents 70% of total production

Ontario Fresh Grape Growers Marketing Board Districts:

District 1 = Town of Niagara on the Lake

District 2 = the rest of Ontario

FRESH GRAPE GROWERS BY DISTRICT

TABLE 5
NUMBER OF GROWERS REGISTERED WITH THE BOARD
2022

DISTRICT	REGION	GROWER NUMBERS	COMMITTEE NUMBERS
District 1	Town of Niagara-on-the-Lake	40	5
District 2	All other areas including St. Catharines, Lincoln, and Grimsby	35	5
Total		75	10

FRESH GRAPE DISTRIBUTION

TABLE 6
FRESH GRAPE DISTRIBUTION THROUGH DEALER-SHIPPERS
2018-2022

Region	2018	2019	2020	2021	2022	5 Year Avg.
Ontario	38%	41%	42%	44%	42%	41%
Quebec	59%	54%	55%	51%	50%	54%
East-Atlantic	1%	2%	3%	2%	3%	2%
West	3%	3%	0%	4%	5%	3%

WEEKLY RECEIPTS BY DEALER-SHIPPER

**TABLE 7
SCHEDULE OF FRESH GRAPE WEEKLY RECEIPTS
2018 - 2022**

WEEKLY PERIOD	2018	2019	2020	2021	2022
Aug. 1 – 7	18,480	0	0	7,937	0
Aug. 8 – 14	55,331	1,560	11,193	26,710	14,514
Aug. 15 – 21	52,052	51,255	50,914	55,735	47,442
Aug. 22 – 28	40,185	60,367	48,685	50,690	58,721
Aug. 27 – Sept. 4	23,802	34,386	34,895	41,306	43,937
Sept. 5 – 11	3,308	30,869	9,626	33,076	37,231
Sept. 12 – 18	169	35,184	2,412	25,630	16,260
Sept. 19 – 25	24	11,527	399	6,353	8,226
Sept. 26 – Oct. 2		2,630		4,401	2,005
Oct. 3 - 9		57	25	1,104	0
Oct. 10 - 16				75	0
TOTALS (17 lb. equivalent units)	193,351	227,835	158,149	253,017	228,336
First Main Harvest Date (2500 units)	Aug 11	Aug 22	Aug 14	Aug 8	Aug 11
Days from veraison	22	20	20	20	19
Days from bloom	62	61	59	60	62
Growing Degrees	1059	1031	1044	919	980

FRESH GRAPE SALES BY CONTAINER TYPE

**TABLE 8
ONTARIO DEALER-SHIPPER
FRESH GRAPE SALES BY CONTAINER TYPE
2018 – 2022**

CONTAINER	2018	2019	2020	2021	2022	% CHANGE 2022 VS. 2021
8x2 L	164,672	143,594	81,590	132,215	115,227	-13%
8x2 L - Paper Carry Pack	-	5,954	24,734	44,124	82,531	87%
10x1.5 - Plastic	8,498	4,473	4,754	1,773	1,260	-29%
10x1.5 - Paper	-	39,313	30,749	35,614	5,420	-85%
Other	19,060	21,664	15,022	23,327	23,898	2%
Total Units	192,230	214,998	156,849	237,053	228,336	-4%

FRESH GRAPE PRICING

**TABLE 9
FRESH GRAPE PRICE DETERMINATION ORDER
2022**

Ontario Fresh Grapes					
Order #	Effective	All Classes			
		10x1.5 Litre Plastic Clam/ Paper Carry Pack	10x1.5 Litre Paper Basket	8x2 Litre Plastic Clam/ Paper Carry Pack	6x3 Lb Plastic Clam
Order #1	August 15th, 2022	\$28.35	\$32.35	\$27.35	\$28.35

Note: By agreement with the Board, dealers are allowed to pool their receipts and sales on a weekly basis. Prices include 35¢ per master which is collected by the dealers to cover costs such as palletizing, cooling and distribution charges, but does not include transportation or recycling fees.

2022 EARNED MARKETING INCENTIVE PROGRAM

The Marketing Incentive Program was established to encourage major Canadian retailers to feature Ontario fresh grapes throughout the peak of the grape harvest while maintaining uniform pricing. In 2022, Fresh Grape Growers continued to offer a Fresh Grape Incentive Program which included a freight incentive in Eastern provinces at \$1.00 and Western provinces at \$2.00-Winnipeg, \$2.50-Regina, \$3.00-Calgary. Depending on the region, retailers must satisfy a listing and/or ad requirement to qualify. The regular incentive periods and rates in Ontario were as follows:

Week	Dates	Rates
Week 1-2	August 13 th - August 26 th	\$0.50
Week 3-9	August 27 th – October 14 th	\$1.00

The Incentive Program is financed through grower licence fees. Licence fees for 2022 increased to \$1.20 per 18 lb. master (\$1.03 - 2021). The incentive program component of the fee and all incentive payments are accounted for in a separate incentive fund account. Shortages and/or surpluses are carried forward into future years under the program.

PROMOTION AND MARKET DEVELOPMENT 2022

Building on the many successes of last year’s Grassroots Growth Initiative project, Ontario Fresh Grape Growers (OFGG) received additional funding to continue trialing new packaging concepts and execution of instore sampling events. This season, a 1.5L cardboard ‘carrypack’ (pictured below) for Jupiter grapes was developed and introduced at select retail locations along with a biodegradable bag option. Consumers loved these environmentally friendly packaging ideas and commended OFGG in online surveys for their efforts to become more sustainable.

Instore sampling events were a huge hit as shoppers were able to “try before they buy” and give feedback on the packaging, price, and taste of Jupiter grapes. Events for both Sovereign Coronation and Jupiter grapes took place over two weekends in September with results as follows:

- 3 major grocery retailers
- 74 instore sampling events
- 31,308 intercepts
- 21,388 samples distributed
- 6,520 units sold
- 40% average conversion rate from sample to sale
- 105% average sales lift week of events



Point of sale materials at instore events included brochures, recipe cards, posters, and surveys to collect shopper feedback. In total, 237 surveys were received and findings indicated that consumers really loved the taste of local blue grapes and were very likely to buy them over imports when in-season. They preferred cardboard and compostable packaging to the traditional plastic containers and were also motivated to pay more for sustainable options.

Ontario Tender Fruit Growers, display bins, digital ads and radio tags were also produced under the Grassroots Growth Initiative. Television commercials aired in 10 markets and reached an audience of 8.5 million, while radio tags informed consumers that local tender fruit and fresh grapes were now in season. In addition to this, sponsored content stories were developed for The National Post newspaper and a billboard was on display at the Ontario Food Terminal along the Gardiner Expressway in Toronto (pictured below).



On social media, posts relating to local table grapes were shared throughout the season, with a concentration on recipes, seasonal availability, and how to find local grapes in stores by looking for the Foodland Ontario logo. An increase in our following took place across all channels, as well as an increase in follower engagement on both organic and paid posts. Follow Ontario Tender Fruit Growers on Facebook and Instagram @onttenderfruit.

Many thanks for our industry partners at Foodland Ontario for all their support, as well as the Ontario Produce Marketing Association for their 'Produce Made Simple' partnership.

RESEARCH INITIATIVES

New Variety Development in Tree Fruit and Fresh Grape Sectors in Canada

2022 marks the final year of this 5-year collaborative research project. With gratitude, the Ontario Fresh Grape Growers acknowledges the funding support provided by the AAFC and NPF&VGA as well as the combined efforts of Vineland Research and Innovation Centre, Ontario Tender Fruit Growers, the University of Guelph, Brock University and our participating growers and industry partners.

New variety development is imperative to fostering growth for Ontario's fresh grape industry. Through this program several new seedless grape cultivars were scouted, planted and evaluated under Ontario's growing conditions and in Ontario's marketplace. The project has been highly successful and as a result Ontario's newest "Jupiter" grape has been advanced from test plantings to commercial plantings, trademarking and commercialization. As well, some additional newly scouted varieties underwent further assessments and evaluations in 2022 including bud hardiness and susceptibility to winter injury. The 2022 Fresh Grape New Variety Tour showcased these newest varieties at harvest time. Participants provided survey evaluations and feedback and at least two new varieties were identified to move forward with test plantings in Ontario.

Streamlining Connectivity for CropTracker System

Over the past several years the Ontario fresh grape industry has been working alongside the Ontario tender fruit and apple sectors to implement and build on CropTracker's cloud-based IT system which tracks, records and reports farm and industry data. Through this project the implementation of an "off-line mode" feature improves system connectivity issues and helps decrease operational downtime and data restoration time resulting from internet irregularities. The "off-line mode" feature helps to strengthen the CropTracker platform and sustain its use in orchards and vineyards across Ontario.



Evaluating Under-vine Cover Crops

In 2022, with funding provided by the Ontario Grape and Wine Research Institute and with expertise provided by OMAFRA, under-vine cover crops for fresh grapes were evaluated for their efficacy in weed management, establishment (in Ontario's climate) and for their impact on vine vigour and yields. Under the project a small plot screening trial was used to assess the potential fit of cover crops that have been used successful in other crops and evaluated their potential fit in vineyards. The project also evaluated the potential of mechanically applying under-vine cover crops in commercial vineyards.

Independent Auditor's Report

To the Members of
Ontario Fresh Grape Growers' Marketing Board

Opinion

We have audited the financial statements of Ontario Fresh Grape Growers' Marketing Board, which comprise the statement of financial position as at December 31, 2022, and the statements of revenues, expenses and unrestricted net assets, marketing incentive program revenues, expenses and fund balance, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the management as at December 31, 2022, and the 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 management in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Independent Auditor's Report (continued)

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 management'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 management'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 management 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

St. Catharines, Canada
January 26, 2023

Chartered Professional Accountants
Licensed Public Accountants

Ontario Fresh Grape Growers' Marketing Board Statement of Revenues, Expenses and Unrestricted Net Assets

Year ended December 31	2022	2021
Revenues		
Licence fees	\$ 281,316	\$ 246,856
Appropriated to marketing incentive program (Note 3)	<u>(128,649)</u>	<u>(119,833)</u>
	152,667	127,023
Interest	3,460	1,088
Promotions funding (Note 4)	46,948	70,553
Research grant (Note 5)	<u>5,878</u>	<u>1,600</u>
	<u>208,953</u>	<u>200,264</u>
Expenses		
Promotion (Note 4)	96,466	137,241
Shared costs (Note 6)	32,500	22,410
Research (Note 5)	14,388	17,357
Travel, meetings and conventions	9,948	8,961
Directors' and committee fees	7,710	14,147
Audit	6,200	4,500
Data service maintenance fee	2,385	2,385
Liability insurance	1,709	1,553
Memberships	1,150	1,150
Office	<u>795</u>	<u>596</u>
	<u>173,251</u>	<u>210,300</u>
Excess (deficiency) of revenues over expenses for the year	35,702	(10,036)
Fund balance, beginning of the year	168,426	178,462
Transfer to marketing incentive program fund	<u>(30,000)</u>	<u>-</u>
Fund balance, end of the year	<u>\$ 174,128</u>	<u>\$ 168,426</u>

See accompanying notes to the financial statements.

Ontario Fresh Grape Growers' Marketing Board Statement of Marketing Incentive Program Revenues, Expenses and Fund Balance

Year ended December 31	2022	2021
Revenues		
Appropriated licence fees	\$ 128,649	\$ 119,833
Expenses		
Incentive program expense (Note 3)	<u>171,566</u>	<u>134,138</u>
 (Deficiency) of revenues over expenses for the year	 (42,917)	 (14,305)
Fund balance, beginning of the year	23,537	37,842
Transfer from operating fund	<u>30,000</u>	<u>-</u>
Fund balance, end of the year	\$ <u>10,620</u>	\$ <u>23,537</u>

See accompanying notes to the financial statements.

Ontario Fresh Grape Growers' Marketing Board Statement of Financial Position

December 31	2022	2021
Assets		
Current		
Cash	\$ 163,125	\$ 166,753
Accounts receivable (Note 7)	4,579	9,066
Grants receivable (Notes 4 & 5)	38,000	67,478
Prepaid expenses	<u>1,908</u>	<u>1,876</u>
	\$ <u>207,612</u>	\$ <u>245,173</u>
<hr/>		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ <u>22,864</u>	\$ <u>53,210</u>
	<u>22,864</u>	<u>53,210</u>
 Net assets		
Unrestricted	174,128	168,426
Marketing incentive program (Page 4)	<u>10,620</u>	<u>23,537</u>
	<u>184,748</u>	<u>191,963</u>
	\$ <u>207,612</u>	\$ <u>245,173</u>

On behalf of the board



Director



Director

See accompanying notes to the financial statements.

Ontario Fresh Grape Growers' Marketing Board Statement of Cash Flows

Year ended December 31	2022	2021
(Decrease) increase in cash		
Operating		
Excess (deficiency) of revenues over expenses for the year		
- unrestricted	\$ 35,702	\$ (10,036)
(Deficiency) of revenues over expenses for the year		
- marketing incentive program	(42,917)	(14,305)
Changes in non-cash working capital		
Accounts receivable	4,487	(6,482)
Grants receivable	29,478	(36,741)
Prepaid expenses	(32)	(157)
Accounts payable and accrued liabilities	<u>(30,346)</u>	<u>42,804</u>
Decrease in cash	(3,628)	(24,917)
Cash		
Beginning of year	<u>166,753</u>	<u>191,670</u>
End of year	\$ <u>163,125</u>	\$ <u>166,753</u>

See accompanying notes to the financial statements.

Ontario Fresh Grape Growers' Marketing Board

Notes to the Financial Statements

December 31, 2022

1. Nature of operations

The Board was established to regulate prices of grapes sold in the fresh grape market, as well as for the purposes of marketing and promoting fresh grapes in Ontario. It is incorporated by Letters Patent as a corporation without share capital under the laws of Ontario, and is exempt from income taxes under section 149(1)(e) of the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant policies are detailed as follows:

Fund accounting

The Board follows the restricted fund method of accounting for contributions. Revenues and expenses related to the Marketing Incentive Program are reported in the Marketing Incentive Program Fund. All other revenues and expenses are reported in the unrestricted fund.

Revenue recognition

The Board has authority to collect licence fees under the provisions of the Farm Products Marketing Act. The Board operates a system of required reporting of crop sales by appointed dealer shippers and licensed producers and monitors the results of this reporting. Any additional revenues determined by the Board through this monitoring system are recorded when determined to be collectible.

Financial instruments

Ontario Fresh Grape Growers' Marketing Board initially measures its financial assets and financial liabilities at fair value. The Board subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, and grants receivable.

Financial liabilities measured at amortized cost included accounts payable and accrued liabilities.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. 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 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 excess of revenues over expenses.

Ontario Fresh Grape Growers' Marketing Board Notes to the Financial Statements

December 31, 2022

2. Significant accounting policies (continued)

Capital expenditures

Capital expenditures are charged to operations in the year they are incurred.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess of revenue over expenses as appropriate in the year they become known.

3. Marketing incentive program

The funds raised for this program in 2022 in the amount of \$128,649 (2021 - \$119,833) were generated by a levy on producers included in licence fees. The \$171,566 (2021 - \$134,138) marketing incentive expense was paid out to qualifying retailers to encourage sales through additional features on fresh grapes.

4. Promotion grants

	Deferred (Receivable) Grant Revenue <u>2021</u>	Government & Industry Funding <u>2022</u>	Promotion Expenses <u>2022</u>	Deferred (Receivable) Grant Revenue <u>2022</u>
Ontario Fruit & Vegetable Growers Association Grant	\$ -	\$ 2,524	\$ 2,524	\$ -
Grassroots Growth Project - 2021/22	(67,478)	79,863	12,385	-
Grassroots Growth Project - 2022/23	-	38,147	76,294	(38,147)
Non-funded promotion	-	-	5,263	-
	<u>\$ (67,478)</u>	<u>\$ 120,534</u>	<u>\$ 96,466</u>	<u>\$ (38,147)</u>

Ontario Fresh Grape Growers' Marketing Board Notes to the Financial Statements

December 31, 2022

5. Research grants

	Deferred (Receivable) Grant Revenue <u>2021</u>	Government & Industry Funding <u>2022</u>	Research Expenses <u>2022</u>	Deferred (Receivable) Grant Revenue <u>2022</u>
ASP - Fresh Grape Variety Development Project	\$ -	\$ 1,600	\$ 1,600	\$ -
OGWRI - Under-Vine Cover Crops	-	4,425	4,278	147
Non-funded research	-	-	8,510	-
	<u>\$ -</u>	<u>\$ 6,025</u>	<u>\$ 14,388</u>	<u>\$ 147</u>

6. Shared cost commitment

The Ontario Fresh Grape Growers' Marketing Board shares office space and staff with Grape and Tender Fruit (Ontario) Limited at an annual cost of \$29,000. The cost is reduced by \$5,500 to \$23,500 in 2022 to reflect shared wages recoverable under promotion grants. During the year, \$9,000 non-funded remunerations were incurred pertaining to the shared costs.

7. Accounts receivable

	<u>2022</u>	<u>2021</u>
Due from Ontario Tender Fruit Growers	\$ 1,793	\$ 374
HST receivable	<u>2,786</u>	<u>8,692</u>
	<u>\$ 4,579</u>	<u>\$ 9,066</u>

8. Accounts payable and accrued liabilities

	<u>2022</u>	<u>2021</u>
Trade payables	\$ 10,864	\$ 44,035
Due to Ontario Tender Fruit Growers	<u>12,000</u>	<u>9,175</u>
	<u>\$ 22,864</u>	<u>\$ 53,210</u>

9. Transactions with Ontario Tender Fruit Growers

The Ontario Fresh Grape Growers' Marketing Board and the Ontario Tender Fruit Growers are under common management and have significant common membership. The Ontario Tender Fruit Growers collects licence fees on behalf of the Ontario Fresh Grape Growers' Marketing Board which gives rise to the receivable balance.

Ontario Fresh Grape Growers' Marketing Board Notes to the Financial Statements

December 31, 2022

10. Financial instruments

Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency, credit or other price risk from these financial instruments.

**MEMBERS AND STAFF OF THE
ONTARIO FRESH GRAPE GROWERS' MARKETING BOARD
2022-2023**

CHAIR

David Hipple

VICE CHAIR

Torrie Warner

DIRECTORS

Adolf Reddecopp

Dan Lambert

Jourdan Tregunno

Robin Reimer

Howard Colcuc

GROWERS' COMMITTEE

District 1

Adolf Reddecopp

Howard Colcuc

Jourdan Tregunno

Fred Meyers

Dan Lambert

District 2

David Hipple

Robin Reimer

Torrie Warner

Bart Huisman

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