



Horticulture Nova Scotia
Annual Report
2022-2023

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Horticulture Nova Scotia

Horticulture Nova Scotia is a member-driven, non-profit, non-unionized agricultural commodity group representing the interests of Nova Scotia's commercial vegetable, greenhouse vegetable, strawberry, raspberry, and highbush blueberry producers, and nursery stock producers associated with those crops. Under an annual agreement, it also administers for the Nova Scotia Potato Marketing Board, an affiliated group.

A designated commodity group under the Agricultural Marketing Act of Nova Scotia, Horticulture Nova Scotia became a registered association in March 1998 by the Nova Scotia Registry of Joint Stock Companies. Our mission is to enhance collaborative efforts among members, which will strengthen and provide leadership to the horticultural industry.

Board of Directors 2022/23 for Horticulture Nova Scotia

Executive:

Past President – Philip Keddy, vegetable & nursery stock grower

President – William Spurr, vegetable & berry grower

Vice President – Jordan Eyamie, vegetable & berry grower

Treasurer – Rick O'Regan, retired, industry

Directors at Large:

Lise Rand, vegetable grower

Ben Vermeulen, vegetable & berry grower

Aaron Lohr, vegetable/herb grower

John MacDonald, farm marketing & sales

Jackson Loré, vegetable & berry farmer

Clarissa Millen, berry grower

FVGC Representatives:

FVGC Board, Atlantic – Philip Keddy, Charles Keddy Farms

Labour – Andy Vermeulen, Vermeulen Farms

BRM – Richard Melvin, Melvin Farms

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Horticulture Nova Scotia Annual General Meeting
11:30 a.m., January 22, 2024
Old Orchard Inn, Greenwich

AGM Agenda

1. Call to Order, Roll Call and Approval of Agenda
2. Minutes of the 2023 Annual General Meeting
3. Business Arising from the Minutes
4. Actions as the Result of the 2023 Motions and Resolutions
5. Report from the President, Horticulture Nova Scotia
6. Audited Financial Statements
7. Proposed Budget for 2023/2024 Fiscal Year
8. Appointment of Auditor for 2023/2024
9. By-Laws and Memorandum of Association
10. Motions and Resolutions
11. Nominating Committee Report
12. Business Arising from the Floor
13. Motion for Adjournment

1) Call to Order, Roll Call and Approval of Agenda

With 18 voting members present virtually, and quorum met, the meeting was called to order by Philip Keddy, president, at 11:59 a.m. Peter Swetnam moved to approve the agenda, and Kim Stokdijk seconded. Motion was carried.

2) Minutes of the 2022 Annual Meeting

Josh Oulton moved to accept the minutes as presented, seconded by Scott Newcombe. Motion carried.

3) Business Arising from Minutes

There was no business arising from the minutes.

4) Actions as the Result of the 2022 Resolutions

There was no action arising from 2022 resolutions.

5) Report from the President, Horticulture Nova Scotia

To begin, Philip Keddy mentioned how great it is to be back in person. He noted over the past year there were overall good growing conditions, except for the part of the province most impacted from Hurricane Fiona. Looking at California and the conditions there, he questioned how we prepare for that situation in the future. The climate scan process HNS participated in was long but worth the effort if we get the programs needed to help us out. The long cane raspberry project is being completed, and he thanked the NS Department of Agriculture and Perennia for their partnerships. Returning this fall was the HNS Harvest End Breakfast hosted with Acadia and Springboard Atlantic, and we are looking forward to continuing that event. In the area of communication and promotion, we are looking forward to getting back to in-person events and opportunities to promote our organization and our members. The golf tournament was a great day, and it was really good to be back in full force. With Congress, and this year's theme "The Seeds of Well-Being", it is all about getting back to care of oneself, family and work. Having been on the board for the last six years, Philip thanked his fellow board members; a lot has been achieved over that time. He is looking forward to his role as past president, and participating on committees. Also, he thanked the partners we work with all year, as well as the HNS staff, and wished good luck to incoming president, William Spurr.

6) Audited Financial Statements

In her presentation of the past year's audited financial statements, Jocelyne Dumaresq of Bishop & Company first noted working with Marlene and Kiki during the audit was a pleasure, and the financial records were well maintained. She reviewed a few points in the Independent Auditors' Report, and then addressed the Statement of Financial Position. She noted a decrease of cash over the previous year, but explained what was deemed as excess cash was moved to a cashable GIC, which showed in a stronger marketable securities line.

Advances receivable were down slightly from 2021; these are the APP loans to producers. Restricted cash held for projects is much lower as this was deferred income for projects that are near or fully complete, which also shows under Liabilities and Net Assets. Total assets are \$1,299,714. In Statement of Revenue and Expenditures, she noted Revenue was lower than last year, with small differences in lines like Administration – Advanced Payments Program, Berry levies and Golf Tournament, but the major difference was in the Scotia Horticultural Congress, which had to be moved to a virtual event. Membership dues are remaining steady. Under Expenses, most lines overall remained steady. The Net Revenue over Expenses, including revenue from projects, was a loss of \$22,646.

Richard Melvin moved to accept the financial statements as presented, and they were seconded by Jeff Allen. Motion was carried.

7) Proposed Budget for 2021-2022

Board member Krilen Ramanaidu brought forward the proposed budget as the board treasurer was unable to attend. He noted the board had an in-depth discussion when setting the budget, and that the organization operates as efficiently as possible. The Total Revenue set for the upcoming fiscal year is \$199,100, with Expenses at \$209,100. The bottom line is a budgeted loss of \$10,000.

Josh Oulton moved the 2022-2023 proposed budget as outlined in the Annual Report be approved, which was seconded by Mark Sawler. Motion was carried.

8) Appointment of Auditor for 2022-2023

In the appointment of auditor for the upcoming year, Krilen Ramanaidu asked for a motion to approve the retention of Bishop and Company as auditor for fiscal year 2022-2023. It was moved by Jeff Allen, and seconded by Scott Newcombe. Motion was carried.

9) Review of By-law changes and Memorandum of Association

There were no bylaw changes.

10) Motions and Resolutions

The following two motions were submitted by Melvin Farms Ltd.:

a) Income Tax Threshold for Low Income Workers

“Whereas seasonal agriculture workers are the foundation of the horticulture sector in Nova Scotia.

And whereas the majority of seasonal agriculture workers are paid at or slightly above prevailing provincially legislated minimum wage.

And whereas the prevailing minimum wage does not allow a worker to achieve a basic standard of living as defined by Low Income Cut Off (LICO).

And whereas workers are required to pay provincial income tax on incomes that are below LICO resulting in less after-tax income to maintain a basic living standard.

Therefore be it resolved that HNS in conjunction with NSFA and other relevant organizations advocate and lobby for reform of Nova Scotia tax policy to address the needs of low income work force.”

The motion was moved by Richard Melvin and seconded by Charles Keddy. In explanation, Richard emphasized these workers are the foundation of our sector, and questioned why people are taxed below the Low Income Threshold. It is the principle; these people need money to live. Jeff Allen noted all below the poverty line need to have this benefit. There are other groups as well advocating for this and we need to join voices together. Charles Keddy added if they set the threshold at the poverty level, it would generate more spending and tax dollars. He and Greg Webster had advocated for this change 20 years ago.

Philip Keddy called for all in favour of this motion; motion was carried.

b) MSI Coverage for SAWP and TFW workers in Nova Scotia

“Whereas workers brought into Nova Scotia under the Seasonal Agriculture Worker Program and Temporary Foreign Worker programs are critical to the viability of the horticulture sector in Nova Scotia.

And whereas these workers are not presently eligible for health care coverage under the Nova Scotia MSI health program.

And whereas these workers make a significant contribution to economic well being of Nova Scotia.

And whereas other provinces such as Ontario allow coverage for SAWP workers from day 1 of their arrival in Ontario by virtue of having a work permit indicating full-time employment in Ontario.

Therefore be it Resolved that HNS do an assessment as to the viability of having MSI coverage extended to all SAWP and TFW workers employed in Nova Scotia.”

The motion was moved by Richard Melvin and seconded by Bruce Rand. Richard explained this is an equity issue. Simply put, all workers need health care coverage. Everyone deserves the same right to health care without needing to purchase expensive private plans. This motion was carried.

c) Notice of Special Resolution by the Board of Directors to the Membership of Horticulture Nova Scotia

Philip Keddy put forward the following Special Resolution on behalf of the HNS Board of Directors:

This is a Notice of Special Resolution by the Board of Directors to the Membership of Horticulture Nova Scotia. As per Article II of Articles of Association, Horticulture Nova

Scotia Association, the Board of Directors hereby gives notice of a proposal to change dues for the membership of Horticulture Nova Scotia effective in fiscal year 2023-2024.

Rationale: As we are all aware, inflation is high and costs have been continuously rising. To help ensure Horticulture Nova Scotia's ability to support not only its daily business needs and provision of services, but also its ability to grow, the Board of Directors believes it is necessary to propose this 15 per cent increase in membership dues. This will be only the second fee increase in a nine-year period; the last was for five (5) per cent. Please see the comparison table of membership fees below:

<u>2022-2023 Membership fees</u> <u>2024</u>	<u>Proposed 2023-</u> <u>2024</u> w/ 15% increase		
<i>Producer Membership</i>	2022-2023		2023-2024
Flat Fee	\$60.40		\$69.00
Acreage x	\$3.60		\$4.00
Sales			
Sales to \$50,000 for each \$10,000	\$12.10		\$14.00
Sales over \$50,000 to \$100,000	\$150.95		\$174.00
Sales over \$100,000 to \$250,000	\$301.90		\$347.00
Sales over \$250,000 to \$500,000	\$603.75		\$694.00
Sales over \$500,000 to \$1 million	\$905.65		\$1042.00
Sales over \$1 million	\$1207.50		\$1389.00
Maximum to be paid	\$2,173.50		\$2499.00
<i>Agri Business</i>	\$120.75		\$139.00
<i>Associate - Group</i>	\$120.75		\$139.00
<i>Associate - Individual</i>	\$60.40		\$69.00

Philip explained, as it is for all of us, the costs of doing business are going up, and reiterated the member fees have only risen once in 10 years, and that was for five per cent. We need to be able to continue to operate our organization on behalf of our members, and the board believes this fee increase is necessary.

Richard Melvin moved the adoption of this Special Resolution, and Angus Ells seconded. The motion was carried.

d) **Nominating Committee Report**

Mark Sawler presented the nominating committee report. On the Horticulture Nova Scotia Board of Directors, completing a first term but re-offering for a second term is John MacDonald. Completing second terms are Philip Keddy and Krilen Ramanaidu. Nominated to the board along with John MacDonald, and for first terms, are Jackson Loré and Clarissa Millen. Following three requests for further nominations, and with no more nominations from the floor, the three directors were voted in by acclamation.

e) **Business Arising from the Floor**

There was no business arising from the floor.

f) **Motion for Adjournment**

The Annual General Meeting was adjourned at 12:34 as moved by Charles Keddy.

President

Corporate Secretary

Actions as a Result of the 2022 Motions and Resolutions

Regarding the following motions and resolutions:

- 1) **Income Tax Threshold for Low Income Workers** | This approved motion was for HNS in conjunction with NSFA and other relevant organizations to advocate and lobby for reform of Nova Scotia tax policy to address the needs of low-income work force. **Status:** Within HNS, working with this past season's industry challenges took priority; however, this has been shared with NSFA for discussion on possible future action. We will ensure advocacy for this in the upcoming year, working with NSFA and supporting positive action by groups such as the Halifax Chamber of Commerce.
- 2) **MSI Coverage for SAWP and TFW workers in Nova Scotia**
The approved motion was for HNS to do an assessment as to the viability of having MSI coverage extended to all SAWP and TFW workers employed in Nova Scotia. **Status:** This advocacy is ongoing with the NS Federation of Agriculture; the challenge for accessing coverage is SAWP and TFW workers are in the province for less than a year and for varying amounts of time.
- 3) **Special Resolution to increase Horticulture Nova Scotia membership dues**
Though the membership approved a 15 per cent membership increase for 2023-2024, with the very challenging season so many members experienced this year, the HNS Board of Directors voted to put the fee increase on hold for this fiscal year.

Report from William Spurr, President of Horticulture Nova Scotia

During 2023, I think it is safe to say the weather has not been a friend of most growers in our industry. From polar vortex to drought to rain, short periods of intense sun, to rain and more rain, with a hurricane thrown into the mix. For field crops, we all know this is not a good combination for a successful year. We can only look forward to this year being better.

Over the past few months, we have taken on some projects directly related to weather, which are meant to help us adapt and be better prepared.

Through NS Environment and Climate Change and from our participation in the Climate Adaptation Leadership Program we, along with other participating commodities, now have on staff a climate change adaptation coordinator, Cheryl Ritz. She will be working in partnership with other commodities, and with our own internal implementation group, seeking initiatives and putting into action our organization's strategy developed through the leadership program. Another project, the Polar Vortex Industry Recovery Program, resulted from the February 3-4 deep cold event. We are working together with the NS Department of Agriculture (NSDA) in helping impacted fruit growers with recovery and prevention planning. Patricia Bishop is our energetic Polar Vortex outreach coordinator. A third program, funded through NSDA, is the Season Extension Enhancement Program, which assists fruit and vegetables growers in the province extend their growing season by providing financial assistance with the following three streams 1) adopting season extension technologies, 2) enhancing storage capacity, and 3) adopting and developing irrigation capacity for field operations. This program was developed by a panel of our growers and has had a huge uptake from farms of all sizes, especially as it is targeting demonstrated needs in our industry.

On the national front, Fruit & Vegetable Growers of Canada (FVGC) and industry partners are getting closer to the time they can launch a Grocers' Code of Conduct. This has proven to be a successful program in other countries, and we hope our industries here will enjoy the same level of success. Also, over the last five years, HNS has been involved in the Canadian Berry Trial looking at varieties appropriate to different climates and growing conditions. Through Agriculture & Agri-Food Canada's S-CAP AgriScience Cluster Program, we will continue with the trial for another five years. Our organization is also a supporter of the Living Labs project through the NS Federation of Agriculture.

The business-focused membership organization Agri-TechE in the UK is one Horticulture Nova Scotia and its members have now been part of for two years. The organization opens doors and opportunities for members who are looking to explore technologies and innovations, build partnerships, or simply connect with a world-leading network of innovative farmers, scientists, technologists and entrepreneurs. Another partnership we enjoy is with Acadia University and Springboard Atlantic, especially in hosting our Harvest End Breakfast each November on the university campus. This research-focused event is presented complimentary to our industry, and is a way to celebrate the end of harvest season for the majority of our growers. We have also worked together with those organizations to host our 2023 Congress banquet again this year.

As our organization is celebrating its 25th anniversary year, “Building Strong Roots for 25 Years” is our 2024 Scotia Horticultural Congress theme. For a quick history lesson, Horticulture Nova Scotia was formed in 1998 by the merger of Vegetables Nova Scotia and Berries Nova Scotia, and the affiliation of the Nova Scotia Potato Marketing Board and the Processing Pea and Bean Growers Marketing Board of Nova Scotia. Through the years, highbush blueberries and greenhouse vegetables have been added to the mix. In recognition of the anniversary, during this Congress we have sessions highlighting where we have come from, where the industry is now, and what we need to focus on moving forward.

When the summer season hits in June, most of you know it is time for our annual golf tournament at Berwick Heights. This past event was held on a perfect summer day, with high spirits, some decent golf swings, along with dented trees and a lot of laughs! Join us for our 2024 tournament on Thursday, June 20. Also, each summer, we are grateful to have our summer employee hired through the Canada Summer Jobs program. One of the tasks for this position is to highlight our growers, their crops and events through social media, and help with creative promotional ideas. They also keep our “Do you know what we grow?” page up-to-date, where we feature a member map, produce facts, recipes and other interesting things for the public to explore. This position always brings new energy to the office! Toward the end of this last season, our every-busy Advocacy & Research committee hosted a field day with demos including equipment for cover cropping and reducing tractor passes, a variety of mulches and another of actual cover crops. Perennia staff and our growers worked hard on this event, and it showed in the excellent information provided.

Some of the other activities at Horticulture Nova Scotia include the continued administration of AAFC’s Advanced Payments Program. For this year only, to help growers, the interest-free portion applied to the first \$350,000, as opposed to \$100,000. This year the plan is to return to the original interest-free amount. Each year we coordinate the Atlantic Canada Pavilion at the Canadian Produce Marketing Association’s (CPMA) Annual Convention and Trade Show, this past spring held in Toronto. Our pavilion now involves companies from Nova Scotia, New Brunswick, and Prince Edward Island, and is a vibrant and strong presence at the show. This April will be the west coast show in Vancouver. Support from NSDA, Invest Nova Scotia and ACOA, together with the NB and PEI departments of agriculture allows us to continue coordinating this excellent event.

Our board, staff and very active committees continue to work hard on behalf of our industry. We are always open to new ideas and ready to advocate to ensure the growth and health of our sector. BRM, labour, sector trials, government issues management, effective partnerships and needed programs – these all are active parts of our organization’s advocacy efforts, which are on-going for the benefit of our growers. If you would like to participate, we always welcome new committee members.

We have a lot of challenges as an industry, but also opportunities. Working together, I hope we can help make 2024 a positive one for everyone.

William Spurr
President, Horticulture Nova Scotia

HORTICULTURE NOVA SCOTIA ASSOCIATION
Financial Statements
Year Ended October 31, 2023

HORTICULTURE NOVA SCOTIA ASSOCIATION

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Year Ended October 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Members of Horticulture Nova Scotia Association

Opinion

We have audited the financial statements of Horticulture Nova Scotia Association (the Association), which comprise the statement of financial position as at October 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at October 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with 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.

Other Matter

The budget figures for the year ended October 31, 2023 were not audited and are presented for comparative purposes only.

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 ASNPO, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditors' 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 auditors' 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association 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.

Bishop & Company

CHARTERED PROFESSIONAL ACCOUNTANTS

Wolfville, NS
December 20, 2023

HORTICULTURE NOVA SCOTIA ASSOCIATION

Statement of Financial Position


October 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 232,987	\$ 92,665
Marketable securities (Note 3)	33,655	160,409
Accounts receivable (Note 4)	24,479	14,395
Advances receivable (Note 5)	1,787,060	1,000,000
Harmonized sales tax recoverable	16,684	367
Prepaid expenses	7,535	12,317
	<u>2,102,400</u>	1,280,153
EQUIPMENT (Note 6)	1,505	2,341
RESTRICTED CASH HELD FOR PROJECTS	2,916,582	17,220
RESTRICTED MARKETABLE SECURITIES HELD FOR PROJECTS (Note 3)	17,639,639	-
	<u>\$ 22,660,126</u>	<u>\$ 1,299,714</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Loan payable (Note 8)	\$ 1,787,060	\$ 1,000,000
Accounts payable and accrued liabilities (Note 9)	28,972	34,708
Employee deductions payable	4,832	2,318
Deferred income (Note 10)	20,565,237	17,220
	<u>22,386,101</u>	1,054,246
NET ASSETS		
General Fund - Unrestricted	273,871	245,468
APP Contingency Fund - Restricted (Note 12)	154	-
	<u>274,025</u>	245,468
	<u>\$ 22,660,126</u>	<u>\$ 1,299,714</u>

COMMITMENTS (Note 17)

LEASE COMMITMENT (Note 18)

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

HORTICULTURE NOVA SCOTIA ASSOCIATION**Statement of Revenues and Expenditures****Year Ended October 31, 2023**

	Budget	2023	2022
REVENUE			
Administration - Advance Payment Programs (APP) (Note 12)	\$ 14,000	\$ 17,871	\$ 10,000
Administration - Potato Board	4,100	4,100	4,100
Berry levies	5,000	6,090	4,761
Golf tournament	24,000	21,968	21,652
Government assistance (Note 13)	6,000	4,582	8,954
Scotia Horticultural Congress (Note 13)	77,000	63,205	23,335
Interest (Note 14)	2,500	2,009	690
Membership dues	46,000	43,241	44,757
Miscellaneous	500	254	500
	<u>179,100</u>	<u>163,320</u>	<u>118,749</u>
EXPENSES			
APP administration (Note 12)	700	2,275	749
Amortization	600	836	705
Bad debts	-	70	-
Directors' FVGC expenses (formerly CHC)	4,000	4,009	-
Fruit & Vegetable Growers of Canada	1,500	1,407	1,382
Golf tournament	8,000	7,697	7,154
Insurance	2,400	2,540	2,381
Interest and bank charges	2,200	2,668	2,099
Miscellaneous	-	643	700
Office	3,000	4,767	2,496
Office rent	4,700	4,628	4,628
Professional fees	5,000	8,500	5,000
Promotion	6,000	3,882	1,358
Rebates - berry growers	3,500	2,186	2,500
Rebates - strawberry nursery	2,500	1,190	2,041
Research committee	6,000	2,997	5,895
Scotia Horticultural Congress	44,000	35,949	7,660
Staff expenses and professional development	3,000	3,786	2,476
Telephone	2,000	1,705	1,730
Wages and salaries (Note 15)	110,000	117,346	105,346
	<u>209,100</u>	<u>209,081</u>	<u>156,300</u>
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>(30,000)</u>	<u>(45,761)</u>	<u>(37,551)</u>
RESEARCH PROJECTS (Schedule 1)			
Revenue	15,000	76,574	140,165
Expenses	-	(65,304)	(129,761)
	<u>15,000</u>	<u>11,270</u>	<u>10,404</u>
OTHER PROJECTS (Schedule 2)			
Revenue	5,000	581,305	97,236
Expenses	-	(518,257)	(92,735)
	<u>5,000</u>	<u>63,048</u>	<u>4,501</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (10,000)</u>	<u>\$ 28,557</u>	<u>\$ (22,646)</u>

See notes to financial statements

HORTICULTURE NOVA SCOTIA ASSOCIATION**Statement of Changes in Net Assets****Year Ended October 31, 2023**

	General Fund Unrestricted	APP Contingency Fund Restricted	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 245,468	\$ -	\$ 245,468	\$ 268,114
Excess (deficiency) of revenue over expenses	28,403	154	28,557	(22,646)
NET ASSETS - END OF YEAR	\$ 273,871	\$ 154	\$ 274,025	\$ 245,468

See notes to financial statements

HORTICULTURE NOVA SCOTIA ASSOCIATION

Statement of Cash Flows

Year Ended October 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 28,557	\$ (22,646)
Item not affecting cash:		
Amortization of equipment	836	705
	<u>29,393</u>	<u>(21,941)</u>
Changes in non-cash working capital:		
Accounts receivable	(10,084)	(8,413)
Harmonized sales tax payable	(16,317)	5,113
Prepaid expenses	4,782	1,879
Accounts payable and accrued liabilities	(3,222)	27,507
Deferred income	20,548,017	(149,753)
	<u>20,523,176</u>	<u>(123,667)</u>
INCREASE (DECREASE) IN CASH FLOW	20,552,569	(145,608)
Cash - beginning of year	<u>270,294</u>	415,902
CASH - END OF YEAR	\$ 20,822,863	\$ 270,294
CASH CONSISTS OF:		
Cash	\$ 232,987	\$ 92,665
Restricted cash held for projects	2,916,582	17,220
Marketable securities	33,655	160,409
Restricted marketable securities held for projects	17,639,639	-
	<u>\$ 20,822,863</u>	<u>\$ 270,294</u>

See notes to financial statements

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

1. PURPOSE OF THE ASSOCIATION

Horticulture Nova Scotia Association (the Association) was incorporated March 11, 1998 by the amalgamation of Vegetable and Potato Producers' Association of Nova Scotia and Nova Scotia Berry Crop Association. The Association is a designated commodity group formed under the Agriculture and Marketing Act. It operates as a Not-for-Profit Organization to promote and assist members of the horticultural industry of Nova Scotia. The Association is exempted from income tax under Section 149(1)(l) of the Canadian Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

APP Contingency Fund

The APP Contingency Fund reports the balance of the yearly accumulated APP Net Operating Income. This Fund is capped at the three year average of APP expenses multiplied by a factor of 1.5. Balances in excess of this cap are externally restricted and must be utilized according to a plan to be approved by the Association's Board of Directors and by Agriculture and Agri-Food Canada (AAFC). The Association's policy is to allocate any APP costs in excess of revenue to operations.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, restricted cash, marketable securities and restricted marketable securities.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, investments in equity instruments that are quoted in an active market are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are subsequently reported at amortized cost, and tested for impairment when there are indicators of impairment.

Transaction costs on the acquisition, sale, or issue of financial instruments which are subsequently reported at fair value are expensed when incurred. Transaction costs on the acquisition, sale, or issue of financial instruments which are subsequently reported at amortized cost are amortized over the expected life of the instrument.

Financial assets measured at amortized cost include cash, restricted cash, marketable securities, restricted marketable securities, accounts receivable, and advances receivable.

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

Prepaid expenses

Prepaid expenses are comprised of disbursements that have occurred for which the Association will receive a service subsequent to year-end. This includes deposits and other project expenses paid for events that will take place in the subsequent fiscal year.

(continues)

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life on the diminishing balance basis at the following rates and methods:

Equipment	20%
Computer equipment	20%

The Association regularly reviews its equipment to eliminate obsolete items. Government grants are treated as a reduction of equipment cost.

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

Administration fees, levies, membership dues, and annual events income are recognized as services are performed and ultimate collection is reasonably assured.

Grant revenue is recognized when there is a reasonable assurance that all conditions necessary to obtain the grant have been complied with. Grant revenues which are advanced to the Association but which are not fully utilized at year end are included in deferred income. Grant funding provided for specific events is deferred until the year in which the event takes place.

Interest income is recognized when earned.

Allocation of expenses

The Association allocates certain salaries and wages to projects proportionately on the basis of time spent. The allocation of salaries and wages does not exceed the revenue received and/or receivable for each project. The basis of allocation is applied consistently each year.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

Volunteers contribute a significant amount of their time each year. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

3. MARKETABLE SECURITIES

Marketable securities consist of investments in Guaranteed Investment Certificates with interest rates ranging from 3.25% to 5.50% and maturity dates between November 14, 2023 and October 31, 2024.

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

4. ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 12,567	\$ 9,964
Advance Payment Program interest receivable	12,120	4,431
Allowance for doubtful accounts	(208)	-
	<u>\$ 24,479</u>	<u>\$ 14,395</u>

5. ADVANCES RECEIVABLE

	<u>2023</u>	<u>2022</u>
APP 2022	\$ -	\$ 1,000,000
APP 2023	1,787,060	-
	<u>\$ 1,787,060</u>	<u>\$ 1,000,000</u>

Advance payments to producers are handled through the Association for the 2022 and 2023 crop years under the Advance Payment Program (APP). 2022 advances up to \$250,000 are non-interest bearing. Advances in excess of \$250,000 bear interest at prime less 0.75%. 2023 advances up to \$350,000 are non-interest bearing. Advances in excess of \$350,000 bear interest at prime less 0.75%.

2022 APP advances are 100% guaranteed by AAFC. Storable agricultural product loans are due by September 30, 2023, greenhouse product loans are due by May 31, 2023, and all other produce loans are due by December 31, 2022.

2023 APP advances are 100% guaranteed by AAFC. Storable agricultural product loans are due by September 30, 2024, greenhouse product loans are due by May 31, 2024, and all other produce loans are due by December 31, 2023.

6. EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Equipment	\$ 3,750	\$ 3,687	\$ 63	\$ 176
Computer equipment	4,997	3,555	1,442	2,165
	<u>\$ 8,747</u>	<u>\$ 7,242</u>	<u>\$ 1,505</u>	<u>\$ 2,341</u>

7. CREDIT FACILITIES

The Association has been approved for two revolving demand facilities with the Royal Bank of Canada (RBC), one of which is limited to \$5,000, bears interest at the rate of prime plus 1.50% per annum with interest payable monthly. The second is limited to \$25,000, bears interest at the rate of prime plus 1.50% per annum with interest payable monthly. This facility is available from February 15 to March 31 inclusive in each year. The facilities are secured by a general security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower. At the balance sheet date there are no advances on these credit facilities.

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

8. LOAN PAYABLE

	<u>2023</u>	<u>2022</u>
RBC revolving demand facilities are limited to \$2,000,000 in total and bear interest at prime less 0.75% per annum. Advances are repayable on demand.	\$ -	\$ 1,000,000
RBC revolving demand facilities are limited to \$2,000,000 in total and bear interest at prime less 0.75% per annum. Advances are repayable on demand.	<u>1,787,060</u>	-
	<u>\$ 1,787,060</u>	<u>\$ 1,000,000</u>

The RBC revolving demand facilities are secured by the Advance Guarantee Agreement between the Association, RBC, and AAFC. Interest on advances up to \$350,000 (2022 - \$250,000) per producer is payable monthly in arrears by AAFC. Interest on advances in excess of \$350,000 (2022 - \$250,000) per producer is payable monthly in arrears by the producer. AAFC has limited the total 2023 advances to \$2,000,000.

The Association is to use the funds borrowed under these loan agreements solely for the purpose of delivering the APP in accordance with the Agricultural Marketing Programs Act.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 23,697	\$ 31,864
Wages and benefits payable	<u>5,275</u>	<u>2,844</u>
	<u>\$ 28,972</u>	<u>\$ 34,708</u>

10. DEFERRED INCOME

Deferred income represents the unexpended balance of funds received in advance for the following purposes:

	<u>2023</u>	<u>2022</u>
Polar Vortex Project (Schedule 2)	\$ 15,442,007	\$ -
Season Extension Project (Schedule 2)	4,753,111	-
Climate Change Adaptation Project (Schedule 2)	370,119	-
Long Cane Raspberry Production project	-	10,633
Scotia Horticultural Congress	-	6,128
Strawberry Substrate project	-	379
Membership fees	-	80
	<u>\$ 20,565,237</u>	<u>\$ 17,220</u>

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

11. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. It is management's opinion that the Association is not exposed to significant currency or price risk from its financial instruments. The following analysis provides information about the Association's risk exposure and concentration as of October 31, 2023.

Credit risk

The Association is exposed to credit risk in connection with the collection of its accounts receivable. The Association mitigates this risk by performing credit checks and therefore does not anticipate significant loss for non-collection. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association has a comprehensive plan in place to meet their obligations as they come due - primarily from cash flow from operations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Association is exposed to interest rate risk on its fixed and floating rate interest bearing financial instruments which includes advances receivable, loans payable and investments in guaranteed investment certificates. Changes in the bank lending rates can cause fluctuations in cash flows and interest expense. The Association does not use any derivatives to manage this risk.

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

12. ADVANCE PAYMENT PROGRAM (APP) SUMMARY

	<u>2023</u>	<u>2022</u>
APP Revenues		
Administration fees	\$ 17,871	\$ 10,000
APP Expenses		
Wages	(11,889)	(11,594)
Direct costs	(2,275)	(749)
Overhead	(3,553)	(2,456)
	<u>154</u>	<u>(4,799)</u>
Costs allocated to operations	-	4,799
	<u>\$ 154</u>	<u>\$ -</u>

Expenses are allocated to this Program on the following basis:

- Wages are allocated based upon management's estimate of hours worked in the Program;
- Direct costs include credit service charges and professional fees; and
- Overhead includes office costs and is applied based upon management's estimate of hours worked in the Program.

In 2022 the Association adopted the policy to allocate any APP costs in excess of revenue to operations. This policy reflects the purpose of the Association to assist members by providing this service.

These Program revenues and expenses are included in the Statement of Revenues and Expenses.

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

13. GOVERNMENT ASSISTANCE

Government assistance was received or accrued during the year under the following programs. These amounts are reported in income and are not repayable.

	<u>2023</u>	<u>2022</u>
Amounts reported as Government assistance		
Government of Canada - Canada Emergency Wage Subsidy	\$ -	\$ 4,728
Government of Canada - Canada Summer Jobs Program	<u>4,582</u>	<u>4,226</u>
	<u>\$ 4,582</u>	<u>\$ 8,954</u>

Amounts reported as Scotia Horticulture Congress revenue

Municipality of the County of Kings - Community Festivals and Special Events	<u>\$ 400</u>	<u>\$ 1,000</u>
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Government assistance to related projects is detailed in *Schedules 1 and 2*.

14. INTEREST INCOME

The following interest income was earned on non-restricted assets during the year.

	<u>2023</u>	<u>2022</u>
Interest Income Earned		
Marketable securities	<u>\$ 2,009</u>	<u>\$ 690</u>

The following interest income was earned on restricted marketable securities and bank balances held for the use of the projects.

Interest Income From Projects		
Climate Change Adaptation Project	\$ 10,062	\$ -
Polar Vortex Project	465,902	-
Season Extension Project	<u>141,893</u>	<u>-</u>
	<u>\$ 617,857</u>	<u>\$ -</u>

15. ALLOCATION OF WAGES AND SALARIES

As described in *Note 2*, wages and salaries are allocated proportionately on the basis of time spent.

	<u>2023</u>	<u>2022</u>
Total salaries and wages	\$ 149,506	\$ 105,346
Allocation to projects	<u>(32,160)</u>	<u>-</u>
	<u>\$ 117,346</u>	<u>\$ 105,346</u>

HORTICULTURE NOVA SCOTIA ASSOCIATION

Notes to Financial Statements

Year Ended October 31, 2023

16. RELATED PARTY TRANSACTIONS

As a member-based agricultural association, the Association regularly engages in transactions with its members who are considered related parties. Transactions with members are not disclosed separately. They are undertaken in the normal course of operations and are recorded at the exchange amount which is the amount of consideration established and agreed to by the related parties.

17. COMMITMENTS

The Association has committed \$12,000 over a 4-year period beginning on April 1, 2023 for the *Living Labs* project. As of year-end, \$3,000 has been spent.

The Association has committed \$10,000 over a 5-year period beginning on April 1, 2023 for the *Canadian Berry Trials*. As of year-end, no funds have been spent.

The Association has committed \$2,500 over a 5-year period beginning on April 1, 2023 for the *Novel Pest Management Strategy for Cucumber Beetle Control in Squash and Watermelon*. As of year-end, no funds have been spent.

18. LEASE COMMITMENT

Effective January 1, 2019 the Association renewed a 5-year lease with AAFC for office premises, which has been extended until December 2024. Annual lease payments of \$4,628 are levied based on the calendar year and are subject to a Consumer Price Index increase.

Lease payment schedule:

2024	\$	4,628
2025		<u>771</u>
	\$	<u>5,399</u>

HORTICULTURE NOVA SCOTIA ASSOCIATION
Schedule of Research Project Income and Expenses
Year Ended October 31, 2023

(Schedule 1)

Project	Funding			Costs	Net Revenue (Cost)
	Government	Industry	Total		
Long Cane Raspberry Production	\$ 41,457	\$ -	\$ 41,457	\$ 31,457	\$ 10,000
Small Fruit Viruses	9,563	1,687	11,250	10,750	500
Strawberry Substrate	11,629	-	11,629	10,827	802
Clean Tech	12,238	-	12,238	12,270	(32)
Total	\$ 74,887	\$ 1,687	\$ 76,574	\$ 65,304	\$ 11,270

Government funding was received under the following programs and is not repayable:

NS Agriculture - Agriculture, Fisheries and Aquaculture	\$ 53,695
NS Agriculture - Programs and Risk Management	21,192
	<u>\$ 74,887</u>

HORTICULTURE NOVA SCOTIA ASSOCIATION
Schedule of Other Project Income and Expenses
Year Ended October 31, 2023

(Schedule 2)

The Association has undertaken the following non-research projects to promote and assist the members of the horticulture industry:

Pavilion 2023 - In February 2023, an agreement was reached with the Nova Scotia Department of Agriculture (NSDA) to administer Atlantic Canada's presence at the Canadian Produce Marketing Association (CPMA) Convention and Trade Show in Toronto in April 2023. The funding partners were Nova Scotia Business Inc. (NSBI), NSDA, and New Brunswick Department of Agriculture, Fisheries and Aquaculture (NBAFA).

Pavilion 2024 - In September 2023, a proposal was submitted to NSDA for the Association to administer Atlantic Canada's presence at the CPMA Convention and Trade Show in Vancouver in April 2024. The projected cost of the 2024 project is \$180,440. A subsequent proposal was submitted in November for funding through the Atlantic Canada Opportunities Agency (ACOA), confirmed in December. The funding partners are ACOA, Invest NS (formerly NSBI), NSDA, NBADA, and PEI Department of Agriculture.

Polar Vortex - In March 2023, an agreement was signed with NSDA to provide industry programming of \$15,000,000 that will address and mitigate the production and business continuity impacts of the Polar Vortex Event of February 3 and 4, 2023 on the fruit, apple, and grape industries and other sectors as identified and approved by the Minister. As of October 31, 2023, \$11,915 has been spent (*Note 10*).

Season Extension Enhancement Program - In March 2023, an agreement was signed with NSDA for a program to support fruit and vegetable growers in extending their growing seasons, adapt to a changing climate and to open up new market opportunities. Funding for this project is \$5,000,000. As of October 31, 2023, \$359,983 has been spent (*Note 10*).

Climate Change Adaptation - In March 2023, an agreement was signed with NS Environment and Climate Change for a two-year, \$200,000 climate change adaptation project. The project's goal is to increase climate change adaptation capacity in the horticulture sector by supporting the industry in implementing its own strategy and hiring a climate change adaptation coordinator to help in development and implementation. As of October 31, 2023, \$27,943 has been spent (*Note 10*).

Project	Funding			Costs	Net Revenue
	Government	Industry Partners	Total		
Pavilion 2023	\$ 123,460	\$ 5,225	\$ 128,685	\$ 118,416	\$ 10,269
Polar Vortex	23,895	-	23,895	11,915	11,980
Season Extension	388,782	-	388,782	359,983	28,799
Climate Change	39,943	-	39,943	27,943	12,000
Total	\$ 576,080	\$ 5,225	\$ 581,305	\$ 518,257	\$ 63,048

Government funding was received from the following sources and is not repayable:

NSDA	\$ 519,445
NSBI	15,000
NBAFA	41,635
	<u>\$ 576,080</u>

Horticulture Nova Scotia Budget 2023/2024

REVENUE	Actual 2020	Actual 2021	Actual 2022	Proposed 2023	Actual 2023	Proposed 2024
Horticultural Congress	73,103	63,615	23,335	77,000	63,205	70,000
Administration						
- APP	10,400	11,000	10,000	14,000	17,871	14,000
- N.S. Potato M.B.	4100	4100	4100	4100	4100	4100
- Research & other projects	0	11,266	14,905	20,000	72,318	100,000
Membership dues	41,852	44,160	44,757	46,000	43,241	42,000
Strawberry levy	5924	8165	4761	5000	6,090	5000
Miscellaneous	96	0	500	500	254	500
Grants	40,615	40,313	8,954	6000	4582	6000
Interest earned	715	664	690	2500	2009	2500
Golf tournament	500	19,566	21,652	24,000	21,968	22,000
Total Revenue	177,305	202,849	133,654	199,100	237,638	266,100
EXPENSE	Actual 2020	Actual 2021	Actual 2022	Proposed 2023	Actual 2023	Proposed 2024
Horticultural Congress	42,944	36,746	7660	44,000	35,949	40,000
Bank charges	2067	2252	2099	2200	2668	3000
Amortization office equip.	603	618	705	600	836	800
Directors FVGC expenses	570	893	0	4000	4009	4500
Dues & fees	1407	1291	1382	1500	1407	1600
Insurance	1932	2059	2381	2400	2540	2600
Miscellaneous	0	390	700	0	643	500
Office Expenses	2392	2109	2496	3000	4767	4500
Professional fees	6000	4500	5000	5000	8500	8500
Berry growers prepayment	4050	2714	2500	3500	2186	2500
Strawberry nursery rebate	2010	1481	2041	2500	1190	2000
Rent	4654	4628	4628	4700	4628	4700
Promotion	1538	6148	1358	6000	3882	6000
Phone/fax/internet	2698	1797	1730	2000	1705	2000
Staff expenses/Prof. dev.	3494	4538	2476	3000	3786	4000
Research Committee	3465	3444	5895	6000	2997	6500
Staff compensation	95,514	97,301	105,346	110,000	117,346	123,000
APP Administration	667	617	749	700	2275	2000
APP Default	0	0	0	0	0	0
Bad Debts	0	0	0	0	70	0
Golf Tournament	18	7095	7154	8000	7697	8000
Total Expense	176,023	180,621	156,300	209,100	209,081	226,700
Revenue over expense	1282	22,228	(22,646)	(10,000)	28,557	39,400

By-Laws for Horticulture Nova Scotia Association

Approved by Special Resolution at the Annual General Meeting of the Membership, January 28, 2013.
Updated by Special Resolution at AGM on January 27, 2014.

ARTICLES OF ASSOCIATION HORTICULTURE NOVA SCOTIA ASSOCIATION

DEFINITIONS

In these by-laws unless there is something in the subject of context inconsistent herewith

- a) "Association" means Horticulture Nova Scotia Association;
- b) "Registrar" means the Registrar of the Joint Stock Companies appointed under the Nova Scotia Companies Act;
- c) "Special Resolution" means a resolution passed by not less than three quarters of such members entitled to vote as are present in person at a general meeting of which notice specifying the intention to purpose the resolution has been duly given;
- d) "Natural Products Act" means the act to provide for regulating the marketing of certain natural products;
- e) "Producer Category" means one of the vegetable or strawberry/bramble/ highbush blueberry producers, including greenhouse vegetable, or strawberry/bramble/ highbush blueberry nursery stock or perennial vegetable nursery stock producers or any other crops recognized as commodities eligible for membership in the Association on the approval of the Association at the annual meeting (amended 2015);
- f) "Producer Member" means any producer who meets the membership requirements as determined by the Board of Directors and approved by the Association at the annual meeting;
- g) "Producer" means any individual, partnership or corporation engaged in the production of any product as designated in the Producer category;
- h) "Affiliated Organization" means any marketing board under the Natural Products Act or other horticultural organization administered by the Association who pays a fee on behalf of its membership, by special agreement as set out in Article III of these by-laws.

Article I MEMBERSHIP

1. The subscribers to the Memorandum of Association and such other persons as shall be admitted to membership in accordance with these by-laws, and none others, shall be members of the Association, and their names shall be entered in the Register of Members accordingly.
2. Membership in the Association shall consist of any of the following who upholds the objects of the Association and contributes annually to the support of the Association a membership fee set by the Board of Directors and approved by the members at an annual meeting and appended to these By-laws as Schedule A:
 - a) Producer members: Individuals, partnerships, or corporations engaged in the growing of vegetables or strawberries/brambles/ highbush blueberries, including greenhouse vegetable, or strawberry/bramble/highbush blueberry nursery plants, or other producer categories as set out in the Definitions (amended 2015);
 - b) Agri-business member: Any person engaged in the manufacture or distribution of farm equipment, supplies, or services to the horticultural industry;
 - c) Associate member: Any other person or group who has an interest in the horticulture of Nova Scotia, but is not engaged growing of vegetables and small fruit or grows less than one acre or is in an agri-business as defined in Schedule A;
 - d) Honorary member: Any producer, individual, or organization who has been awarded a honorary membership for outstanding contributions to the Association or distinguished attainments in agriculture shall be a life member in good standing as determined by the Board of Directors.

3. For the purposes of registration the number of members in the Association is unlimited.
4. Every member of the Association in good standing shall be entitled to attend any annual meeting and all other meetings of the Association and to hold any office, and any producer member shall be entitled to vote at any regular or annual meeting of the membership, but there shall be no proxy voting.
5. Membership in the Association shall be non-transferable.
6. No formal admission to membership shall be required and any entry in the Register of Members by the Secretary of the name and address of any individual or organization shall constitute an admission to membership in the Association.
7. Membership in the Association shall cease upon the death of a member or if, by notice in writing to the Association, he resigns his membership, or if he ceases to qualify for membership in accordance with these by-laws.
8. All members in good standing shall be entitled to receive regularly such communications as may be sent out by the Association to its members from time to time, and any other services that the Association may provide or arrange.

Article II MEMBERSHIP FEES

1. Fee schedules shall be determined by the Board of Directors with the consent of the general membership at a regular or annual general meeting and this decision shall be appended to these by-laws as Schedule A. Notice of a proposal to change dues shall be given at least 10 days previous to the meeting.

Article III AFFILIATED ORGANIZATIONS

1. The Board of Directors may accept application for affiliation from any marketing organization established under the Natural Products Act of Nova Scotia, or any horticultural organization, and said group may be admitted to the Association upon approval of the membership at an annual meeting;
2. Any affiliated organization, upon being admitted to the Association shall pay an annual administration fee agreed to by both parties and approved by the Board of Directors;
3. Any member of an affiliated organization may become a member of the Association as outlined in Article 1 of these by-laws;
4. An affiliated organization shall provide the Association annually with the names and addresses of all officers of the organization with the minutes of the annual business meeting of the organization. An affiliated organization shall also provide the Association with a copy of the Constitution of the organization and with a membership list, where applicable, and shall advise the Association annually of any revisions thereof;
5. Any affiliated organization must give notice of termination at an annual meeting and shall not withdraw until a minimum of six months have elapsed after the notice of termination.

Article IV MEETINGS

1.
 - a) An annual general meeting of the Association shall be held within three months after the end of each fiscal year of the Association at such time and place as may be designated by the Board of Directors;
 - b) An extraordinary general meeting of the Association may be called by the President or by the Directors at any time, and shall be called by the Directors if requisitioned in writing by at least ten per cent (10%) of the members of the Association.
2. Ten days' notice of a meeting, specifying the place, day and hour of the meeting and, in the case of special business, the nature of such business, shall be given to the members. Notice shall be given electronically and/or by sending it through the post in a prepaid letter addressed to each member at his or her last known address. Any notice shall be deemed to have been given at the time when the letter containing the same would be delivered in the ordinary course of post and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and placed in the post office. The non-receipt of any notice of any member shall not invalidate the proceedings of any general meeting.
3. At each ordinary or general meeting of the Association, the following items of business shall be dealt with and shall be deemed to be ordinary business:
 - Minutes of the preceding general meeting;
 - Consideration of the annual report of the Directors;
 - Consideration of the financial statements, including balance sheet and operating statement and the report of the auditors thereon;
 - Election of Directors for the ensuing year;
 - Appointment of Auditors.All other business transacted at any ordinary or annual meeting shall be deemed to be special business and all business shall be deemed special that is transacted at an extraordinary general meeting of the Association.
4. No business shall be transacted at any annual or regular meeting of the Association unless a quorum of members is present at the commencement of such business and such quorum shall consist of 15 members.
5. If within one half hour from the time appointed for the meeting, a quorum of members is not present, the meeting, if convened upon the requisition of the members, shall be dissolved. In any other case, it shall stand adjourned to such time and place as a majority of the members then present shall direct and if at such adjourned meeting a quorum of members is not present, it shall be adjourned.
6.
 - a) The President of the Association shall preside as Chairperson at every general meeting of the Association;
 - b) If there is no President, or if at meeting s/he or he is not present at the time of holding the same, a Vice-President will preside as Chairperson;
 - c) If there is no President or Vice-President or if at any meeting neither the President nor Vice-President is present at the holding of the same, the members shall choose someone of their number to be Chairperson.
7. The Chairperson shall have no vote except in the case of an equality of votes; s/he shall have the casting vote.

8. The Chairperson may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place, unless notice of such new business is given to the members.
9. At any general meeting, unless a poll is demanded by at least three members, a declaration by the Chairperson that a resolution has been carried and an entry to that effect in the book of the proceedings of the Association shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution.
10. If a poll is demanded in the manner aforesaid, the same shall be taken in such manner as the Chairperson may prescribe and the result of such poll shall be deemed to be the resolution of the Association in general meeting.

Article V VOTES OF MEMBERS

1. a) Each producer member is entitled to one vote and no more and there shall be no proxy vote;
- b) Agribusiness, Associate and Honorary members are not entitled to a vote at annual or regular meetings of the membership, but may hold any office in the Association and vote on issues related to said office, with the exception of those holding the position of Director, who by virtue of their office, shall have the right to vote at any general or regular meeting of the membership during their term of office.

Article VI BOARD OF DIRECTORS

1. Unless otherwise determined by general meeting, the number of Directors shall be set at **nine** (amended 2004);
2. Any member of the Association shall be eligible to be elected a Director of the Association;
3. **Three** Directors shall be elected by the members at each ordinary or annual meeting of the Association for a **three** year term from nominations presented by the Nominating Committee or from the floor (amended 2004);
4. The Nominating Committee Shall consist of the **two most recent Past Presidents who are current paid members of the Association** and shall present an interim report to the Board of Directors no later than the end of November of each year previous to the annual meeting (amended 2004);
5. Each Director can serve for a maximum of two consecutive **three** year terms (amended 2004);
6. In the event that a Director resigns his/her office or ceases to be a member in the Association, whereupon his/her office as Director shall ipso facto be vacated, the vacancy thereby created may be filled for the unexpired term by the Board of Directors from among the members of the Association;
7. The Association may, by special resolution, remove any Director before the expiration of the period of the office and appoint another person in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held office if s/he had not been removed;

8. Meetings of the Board of Directors shall be held as often as the business of the Association may require and shall be called by the **President**. A meeting of the Directors may be held at the close of every ordinary or annual general meeting of the Association without notice. Notice of all other meetings, specifying the time and place thereof, shall be given either orally or in writing to each Director within a reasonable time before the meeting is to take place, but non-receipt of such notice by any Director shall not invalidate the proceedings at any meeting of the Board of Directors (amended 2004).
9. No business shall be transacted at any meeting of the Board of Directors unless at least five in number of the Directors are present at the commencement of such business;
10. The Chairperson, or in his/her absence, a Vice Chairperson, or in the absence of all of them, any Director appointed from among those Directors present shall preside as Chairperson at the meetings of the Board;
11. The Chairperson shall have no vote except in the case of an equality of votes; s/he shall have the casting vote.
12. The immediate Past President shall be retained on the Board as an ex officio member. In the event of the death, resignation, or removal of a President, the most recent Past President may be retained as an ex officio member.
13. If a Director misses more than four consecutive Board meetings, at the Board's discretion said Director may be notified to step down for replacement (amended January 07).

Article VII POWERS OF THE DIRECTORS

1.
 - a) The management of the activities of the Association shall be vested in the Directors who, in addition to the powers and authorities by these by-laws or otherwise expressly conferred upon them, may exercise all such powers and all such acts and things as may be exercised or done by the Association and are not hereby or by Statute expressly directed or required to be exercised to be done by the Association in general meeting;
 - b) The Directors may appoint an executive committee, consisting of the officers and other such persons as the directors decide;
 - c) The Directors may determine remuneration as is deemed appropriate for conduct of the activities of the Association.

Article VIII OFFICERS

1. The officers of the Association shall be a President, First Vice-President, Second Vice President, Treasurer and Secretary. The offices of Secretary and Treasurer may be combined;
2. The Directors shall elect one of their members to be President of the Association. The President shall, when present, preside at all meetings of the Association and Board of Directors and shall decide all questions of order and make any suggestions as s/he may deem necessary in the interests of the Association and perform such duties as may be assigned to him/her by the Board of Directors from time to time. S/he shall be ex officio, a member of all committees appointed by the Association. S/he shall call general meetings of the Association and Directors or Executive meetings as the interests of the Association demand;
3. The Directors may also elect from their number a First Vice -President and a Second Vice President. The First Vice-President shall, at the request of the Board and subject to its directions,

perform the duties of the President during the absence, illness or incapacity of the President, or during such period as the President may request him/her to do so, and failing the presence of the First Vice President, the Second shall perform such duties;

4. a) There shall be a Secretary of the Association who shall keep the minutes of the meetings of members and Directors and shall perform such other duties as may be assigned to him/her by the Board. The Board shall appoint the Secretary and may also appoint the Treasurer of the Association to carry out such duties as the Board may assign. If the Directors think fit, the same person may hold both offices of Secretary and Treasurer;
 - b) The Directors may appoint a temporary substitute for the Secretary who shall, for the purpose of these by-laws, be deemed to be Secretary;
 - c) In lieu of a Secretary and/or a Treasurer, a Secretary-Treasurer to be known as the Executive Secretary may be appointed by the Board to be an ex officio clerk to the Board of Directors and shall not be entitled to vote. The Executive Secretary shall hold office at the pleasure of the Board and shall receive such remuneration as shall be determined by the Board. S/he shall attend meetings of the Association, its officers, Board of Directors or Committees and record such facts and minutes of all proceedings in the books kept for that purpose, and shall keep proper books of account as Treasurer and of the financial position of the Association;
5. Ex-officio appointments shall be decided by the Board of Directors.

Article IX COMMITTEES

1. The Board of Directors shall be responsible for appointing **Chairpersons for Committees as deemed necessary to carry out the objectives of the Association and it shall be the responsibility of said Chairs to assure that Committees shall consist of at least three members** (amended 2004).

(Article IX Section 2 removed by Spec. Resol. January 17, 2003)

Article X FISCAL YEAR

1. The fiscal year of the Association shall be the period from November 1st in any year to October 31st in the year next following.

Article XI RECORDS

1. The Board of Directors shall see that all necessary books and records of the Association required by the by-laws of the Association or by any applicable statute or law are maintained.

Article XII AUDIT OF ACCOUNTS

1. The auditor of the Association shall be appointed annually by the members of the Association at the annual general meeting and, on failure of the members to appoint an auditor, the Directors may do so.
2. The Association shall make a written report to the members as to the financial position of the

Association and the report shall contain a balance sheet and operating account. The auditors shall make a written report to the members upon the balance sheet and operating account and, in every such report, s/he shall state whether in his/her opinion the balance sheet is a full and fair balance sheet containing the particulars required by the Association and properly drawn up so as to exhibit a true and correct view of the Association's affairs, and such a report shall be read at the annual meeting.

3. A copy of the balance sheet, showing the general particulars of its liabilities and assets and a statement of its income and expenditure in the preceding year, audited by the auditor, shall be filed with the Registrar within fourteen days after the annual meeting in each year, as required by law.

Article XIII REPEAL AND AMENDMENT OF BYLAWS

1. The Association has the power to repeal or amend these by-laws by special resolution passed by three quarters of voting delegates present at a meeting duly called and the intent of the special resolution has to be circulated to all members at least ten days before the annual or special meeting.

Article XIV MISCELLANEOUS

1. The Association shall file with the Registrar with its Annual Statement a list of its Directors with their civic and mailing addresses, occupations and dates of appointment or election, and within fourteen days of a change of Directors, notify the Registrar of the change.
2. The Association shall file with the Registrar a copy in duplicate of every special resolution within fourteen days after the resolution is passed.
3. The seal of the Association shall be in the custody of the Secretary and may be affixed to any document upon resolution of the Board of Directors.
4. Custody of books and records, and custody of the minutes of all the meetings of the Association and the Board of Directors shall be the responsibility of the Secretary.
5. The books and records of the Association may be inspected by any member at any reasonable time within two days prior to the annual meeting at the registered office of the Association.
6. Contracts, deeds, bills of exchange and other instruments and documents may be executed on behalf of the Association by the President or Vice-President and the Secretary, or otherwise as prescribed by resolution of the Board of Directors.
7. The borrowing powers of the Association may be exercised by special resolution of the members.

Scientific Research and Experimental Development (Sr&ed) Tax Credits:

Horticulture Nova Scotia is the recognized agent of its members, acting on their behalf, on matters relating to SR&ED; so that SR&ED contributions made by Horticulture Nova Scotia will be considered by the Canada Customs and Revenue Agency as a direct payment from the members to the actual performers of the SR&ED. (*Added by Spec. Resol. January 1, 2003*)

**Schedule A
Membership Fees**

(1) Producer Fees

Each producer shall pay a membership fee composed of the total of:

- a) Base rate of \$69.00
plus
- b) \$4.00 per producing acre
plus
- c) A sliding scale (as below) based on the prior year's gross farm income on eligible products.
 - To \$50,000 - \$14.00 per \$10,000.00
 - Over \$50,000 to \$100,000 - \$174.00
 - Over \$100,000 to \$250,000 - \$347.00
 - Over \$250,000 to \$500,000 - \$694.00
 - Over \$500,000 to \$1 million- \$1042.00
 - Over \$1 million - \$1389.00

The maximum total membership fee is \$2499.00

(d) The amount of such levies as are collected on strawberry plant sales from the previous fiscal year shall be deemed as pre-payment against an individual's membership fees as determined above (added 2004);

(e) Those nursery plant producers who collect the levy on strawberry plant sales on behalf of the Association shall have a credit against their membership fee in the amount of 25% of the amount of levy collected (added 2004).

(2) Agribusiness Membership Fees

Per business: \$139.00 If the owner of a business is also a grower, the grower fee must be paid. Each business shall designate one person to whom member benefits shall apply.

(3) Associate Member Fees

(a) Individual: \$69.00 per individual. This is for individuals interested in the horticultural industry but not a group or business (students, researchers, retired farmers, members of other commodity groups, etc). Producers of 1 acre or under of eligible horticultural produce may choose to apply as an associate member.

(b) Group: \$139.00 per group. This is for recognized groups interested in the horticultural industry. Each group shall designate one person to whom member benefits shall apply.

Memorandum of Association

Name

- 1) The Association shall be known as HORTICULTURE NOVA SCOTIA ASSOCIATION.
- 2) The object of the Association shall be to enhance collaborative efforts among members, which will strengthen and provide leadership to a sustainable horticultural industry:
 - a) By information dissemination: to maintain a system suitable for accumulating and communicating timely information to the membership;
 - b) By special promotions. To identify and develop special promotions as required;
 - c) By liaison with government and other organizations: To liaise, promote unity and cooperation with agricultural groups, government agencies, and other organizations, to represent the interests of the organization;
 - d) By research: To promote unity and cooperation with the research community and to facilitate the identification of research priorities and specifically directed research designed to benefit the horticultural industry;
 - e) By education and awareness: To upgrade the level of awareness of horticulture, its needs and its issues;
 - f) By annual conference: To organize, promote and deliver an annual conference to encourage unity, provide information and promote communications between membership and others interested in the horticultural industry. An annual meeting of the membership may be included in the conference agenda or held separately as decided by the Board of Directors; and:
 - g) To acquire by way of grant, gift, purchase, bequest, devise, or otherwise, real and personal property and to use and apply such property to the realization of the object of the Association;
 - h) To buy, own, hold, lease, mortgage, sell and convey such real and personal property as may be necessary or desirable in the carrying out of the objects of the Association.

PROVIDED that nothing herein contained shall permit the Association to carry on trade, industry or business and the Association shall be carried on without purpose of gain to any of the members and that any surplus or any accretions of the Association shall be used solely for the purposes of the Association and the promotion of the objects.

PROVIDED, further, that if for any reason the operations of the Association are terminated or are wound up, or are dissolved and there remains, at that time, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to some other charitable organization in Canada, having objects similar to those of the Association.

Location

3. The activities of the Association are to be carried on in Nova Scotia;
4. The registered office of the Association is situated at 32 Main St., Blair House, Kentville Agricultural Centre, Kentville, NS B4N 1J5

Schedule B

The products eligible for producer membership in Horticulture Nova Scotia are as follows:

Berries

Blackberries
Raspberries
Strawberries
Highbush blueberries

Vine Crops

Cantaloupe (Muskmelon)
Honeydew
Watermelon

Vegetables

Artichoke
Asparagus
Beans (fresh market)
 Green or yellow wax beans
 Shell beans
 Dried beans
 Broad and lima beans
Beets
Broccoli
Brussels sprouts
Cabbage
 Cabbage, Green
 Cabbage, Red,
 Cabbage, Savoy
 Cabbage, Chinese
Carrots
Cauliflower
Celeriac
Celery
Chinese vegetables
Corn
Cucumber, table (field
grown & greenhouse)
Cucumber, pickling
Eggplant (aubergine)
Fennel
Greens (potherbs)
 Dandelion
 Cardoon
 Collards
 Kale
 Mustard
 Spinach
 Swiss Chard

Greens (salad)

Chicory
Cress
Endive
Escarole
Lettuce
Ground cherry
Herbs, culinary, (field
grown):
 Basil
 Chervil
 Ginseng
 Marjoram
 Mint
 Parsley
 Sage
 Savoury
 Other
Kohlrabi
Leeks
Okra
Onion:
 Bulb onions
 Scallions (green onions)
 Garlic
 Shallot
Parsnip
Peas (fresh market)
Peas, edible podded
Peppers, (field grown &
greenhouse)
 Sweet peppers
 Hot peppers
Pumpkin
Radish
Rapini
Rhubarb
Rutabaga
Salsify
Squash, Summer
Squash, Winter
Sweet Potatoes
Tomatoes, (field grown &
greenhouse)
Tomatillos
Turnip, white summer

Nursery Crops

Asparagus crowns
Blackberry canes
Raspberry canes
Rhubarb crowns
Strawberry plants
Highbush blueberry plants

Motions and Resolutions

This is a Notice of Special Resolution by the Board of Directors to the Membership of Horticulture Nova Scotia. As per Article VI Board of Directors, #5 in Articles of Association, Horticulture Nova Scotia Association, the Board of Directors hereby gives notice of a proposed by-law to change the term of the association's treasurer.

Rationale: "As the treasurer position at this time is subject to the two-term rule as stated in the Horticulture NS By-Laws, and as the position and its continuity is important to the organization, the Board of Directors move this one position be exempt from the two-term bylaw. It is, however, subject to all other by-laws governing the Board of Directors." Please see the additional by-law wording bolded below:

Article VI Board of Directors

5. Each Director can serve for a maximum of two consecutive three year terms, **with the exception of the Treasurer, who may continue to serve for continuity in financial oversight of the Association.**

Nominating Committee Report 2023-2024

This report will be presented by the nominating committee during the AGM.