

A close-up, low-angle photograph of a pig's face, showing its eye, ear, and snout. The pig is looking towards the left. The lighting is soft and natural, highlighting the texture of its skin and fur. The background is blurred, showing other pigs in a similar setting.

ALBERTA  
PORK

2024 ANNUAL  
REPORT

“

Action is the  
foundational  
key to all  
success.

*Pablo Picasso*

# CONTENTS



04 Management Report

---

06 Industry Snapshot

---

07 Alberta Pig Production

---

07 Industry at a Glance

---

10 A Year in Review

---

12 Public Awareness

---

13 Advocacy Update

---

14 Looking Ahead:  
Strategic Plan

---

15 Board of Directors

---

16 Staff

---

17 Financials

---

# MANAGEMENT REPORT

As we near the end of 2024, pork producers continue to see positive margins, with a combination of firm hog prices and decreased feed costs attributing to an optimistic outlook for the Alberta pork industry as we look to 2025 and beyond.

Mindful of the ever-growing gap between urban and rural populations, ensuring producer's needs are at the forefront of policy makers minds is a key part of Alberta Pork's strategic plan.

Provincially, Alberta Pork engaged with the Honourable RJ Sigurdson, Minister of Agriculture and Irrigation, and his staff on multiple occasions to not only provide input on various issues of importance to the Minister, but to have in-depth discussions on: African Swine Fever (ASF) preparedness and recovery, legislative changes to address the risks associated with Wild Boar-at-Large, trade access, and business risk management tools for producers.

Working with our colleagues at the Intensive Livestock Working Group (ILWG), we are collaborating on issues related to confined feeding operation permitting as well as public trust concerns with the Natural Resources Conservation Board (NRCB) and the Rural Municipalities Association (RMA).

Nationally, board members travelled to Ottawa to meet with various Members of Parliament and the Senate to discuss priority issues for the industry as part of the overall national pork producer advocacy strategy. We continue to discuss ASF recovery needs, labour concerns, risk management tools, and trade needs from Voluntary Country of Origin Labelling (VCOOL) to the Canada, U.S., Mexico Trade Agreement (CUSMA) to Zoning Agreements and market access issues.

Alongside other commodity groups, we have highlighted our opposition to Canada's carbon tax and two private member bills, Bill C-282, *An Act to amend the Department of Foreign Affairs, Trade and Development Act* and Bill C-293, *An Act respecting pandemic prevention and preparedness*, all of which potentially place the pork industry in harms way.

In 2025, Alberta Pork will continue to be your voice on advocacy at all three levels of government.

Over the past year, producers have stated the need for us to create greater awareness and education with the public while finding ways to increase the opportunity

for consumers to experience pork as a meal choice. In response, the Alberta Pork Board of Directors allocated significant funding to develop and execute a five-year plan to enhance the visibility of our producers, industry, and products to address public awareness, education, and engagement.

With early feedback from producers in the winter of 2023, Alberta Pork identified the need to gain insight into how today's youth and tomorrow's leaders perceive the opportunities and challenges for the Alberta pork industry. To gain this fresh perspective, Alberta Pork sponsored the 14th Annual Alberta International Business Competition where twelve universities from around the world individually worked on a 30-hour case study on the pork industry.

The overwhelming theme presented by these business students was to target more effort on public and consumer awareness to heighten the positive understanding of our industry and our products. Building on this, Alberta Pork became the title sponsor for the High School Culinary Challenge, helping to create a pathway from high school to post secondary culinary school for many aspiring student chefs.

This work compliments past commitments to support young meat cutters and butchers at various post secondary schools in Alberta. All of this helps the pork industry to connect with, train, and encourage the professionals that are on the frontlines of the pork experience for consumers.

Alberta Pork also started working with Ontario Pork, Sask Pork and Manitoba Pork on economic issues with the first topic areas related to PRRS, PEDv, price reporting, and the impact of U.S. vCOOL. By pooling resources and identifying key issues, the intent is to generate usable economic information to address producer and industry needs. We continue to look for opportunities to collaborate with other prairie pork organizations and Canada Pork to leverage our efforts and enhance the profile of the pork industry across Western Canada.

Alberta Pork is also actively working with provincial and national partners on various ASF exercises to prepare for a foreign animal disease. In addition, we have also participated in national and international discussions with trading partners to assure them on the preventative programs we have in place, along with our overall readiness to address disease concerns while demonstrating our ability to safely re-enter the marketplace in a short period of time.

Food safety, food security, food sustainability and food affordability starts with the excellent work of you - the producer, in safeguarding your pigs via PigSAFE | PigCARE | PigTrace - as part of Canadian Pork Excellence (CPE) as well as transportation training (TQA) and biosecurity protocols. Through these actions coupled with on-going disease surveillance and monitoring with the Alberta Chief Provincial Veterinarian's Office, other western provincial pork offices, the Canada West Swine Intelligence Network (CWSHIN), and participating veterinarians we are reducing the risk of foreign animal disease and demonstrating excellent management practices.

In closing, we would like to thank the board of directors and staff for all they do to serve producers' needs. This year, Alberta Pork saw **Stan Vanessen** re-elected Chair, with **Steven Waldner** assuming the Vice-Chair role, and **Jonathon Klok** re-elected Treasurer. The board welcomed new directors **Sandra Spruit, Alastair Bratton,** and **Mike Wurz**. Together with fellow directors **Marcel Rupert** and **Andy Walter**, our board of directors continues to ensure we are serving the interests of all producers.

We are also grateful for the hard work and dedication of Brent Moen, Craig Thompson, and Dan Majeau for their years on the board serving pork producers and their continued contributions to the industry.

Finally, we extend our appreciation to our fellow producers, industry partners and government. Alberta pork producers continue to enhance the economic prosperity of our province and are the foundation of our country's food safety, food security, food sustainability, and food affordability.



*Over the past year, producers have stated the need for us to create greater awareness and education with the public while finding ways to increase the opportunity for consumers to experience pork as a meal choice. In response, the Alberta Pork Board of Directors allocated significant funding to develop and execute a five-year plan to enhance the visibility of our producers, industry, and products to address public awareness, education, and engagement.*



**Stan Vanessen**  
Chair

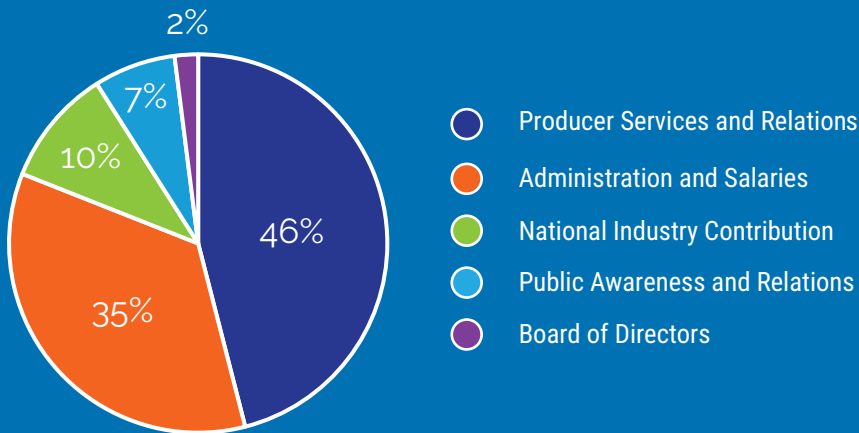


**Darcy Fitzgerald**  
Executive Director

# ALBERTA PORK INDUSTRY SNAPSHOT

## Percentage of Producer Levy Breakdown

Producer levy comprised approximately 57% of total operating budget for the year. The remaining 43% came from other sources. Approximately 4.8% of this years levy was requested back from nine producers.



## Number of sows on premises by size and type

More than 94% of all sows in Alberta reside on 142 quality-assured premises.

**1,599**

Total sows on premises with 0-10 sows

**1,388**

Total sows on premises with 11-100 sows

**17,998**

Total sows on premises with 100-400 sows

**32,992**

Total sows on premises with 401-1000 sows

**45,009**

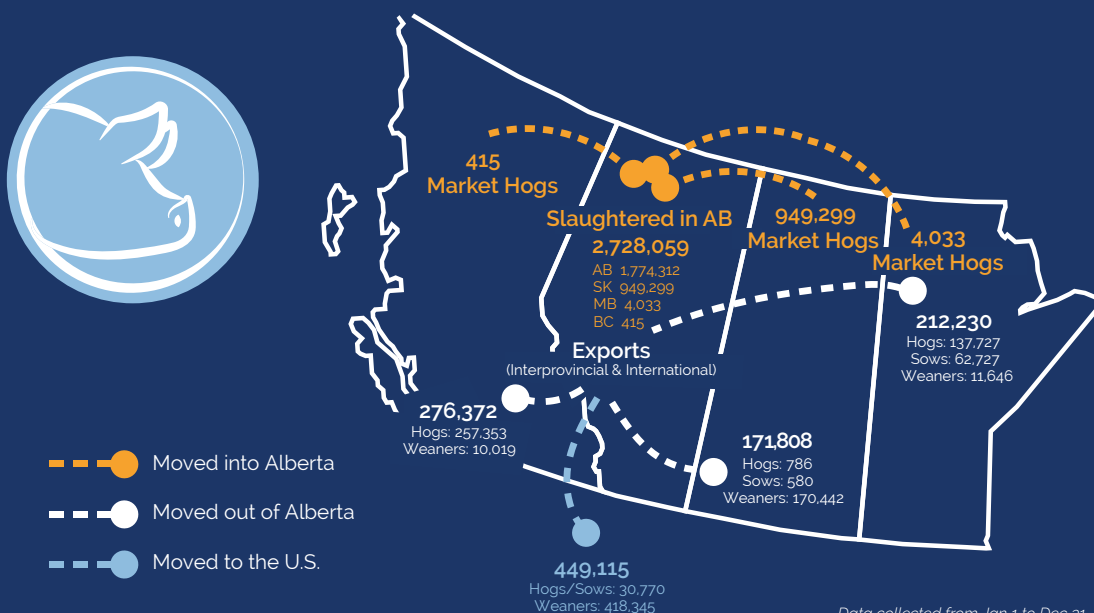
Total sows on premises with 1001-5000 sows



# ALBERTA PIG PRODUCTION

## 2023 Alberta Production 2.87 Million Pigs

In 2023, Alberta produced 2.87 million pigs, including market hogs, weaners and sows. Most Alberta-raised pigs bound for slaughter were destined for federally inspected facilities in the province, with some shipped to provincially inspected facilities or shipped out-of-province. Many pigs bound for slaughter were shipped from out-of-province to Alberta.



Data collected from Jan 1 to Dec 31, 2023 under the Animal Health Act and/or the Marketing of Agriculture Products Act.

## ALBERTA PORK INDUSTRY AT A GLANCE

### Market Data

	Sept 2023–Aug 2024	Sept 2022–Aug 2023
Average cost of production per hog (per Commodity Professionals Inc.)	\$222.16	\$238.72
Western Canadian average hog pricing (per Olymel, Maple Leaf, Donald's)	\$234.25	\$236.69
Average feed cost per hog (per Gowans Feed Consulting)	\$148.25	\$180.16
Average Margin per hog (per Commodity Professionals Inc.)	\$12.09	\$-2.03
Hogs slaughtered in Alberta (per Agriculture and Agri-Food Canada)	2.586 M	2.680 M

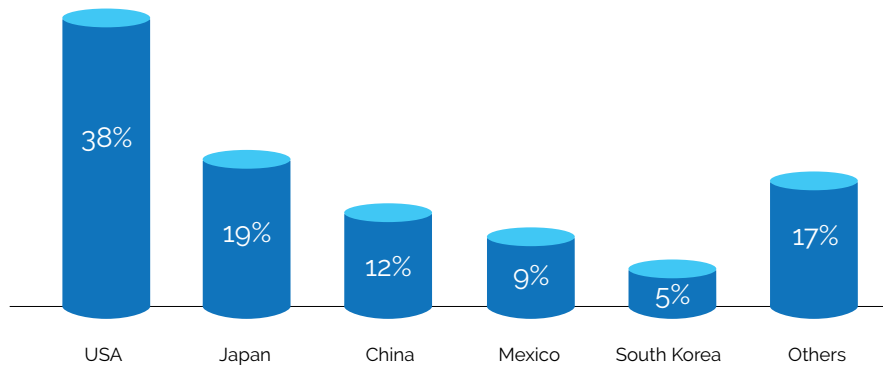
# ALBERTA PORK INDUSTRY AT A GLANCE

## Exports

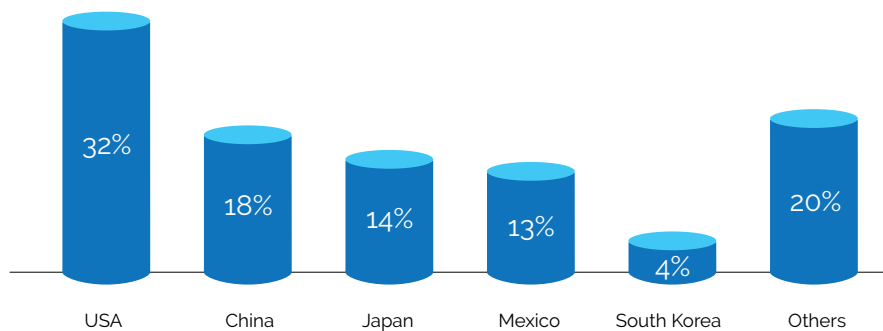
### Canada Top Five Pork Export Markets 2023

Countries	Canadian Dollars	%	Quantity (Kg)	%
	Total		Total	
United States of America	\$1,792,368,464	38%	427,670,786	32%
Japan	\$568,700,336	12%	239,785,711	18%
China	\$918,129,563	19%	190,673,069	14%
Mexico	\$425,639,055	9%	172,553,889	13%
South Korea	\$226,429,919	5%	54,713,765	4%
Others	\$777,301,587	17%	263,396,033	20%
<b>Total</b>	<b>\$4,708,568,924</b>	<b>100%</b>	<b>1,348,793,253</b>	<b>100%</b>

### Top Five Canadian Pork Export Markets 2023 / Total CAD \$4,708,568,924



### Top Five Canadian Pork Export Markets 2023 / Total 1,348,793,253 Kg

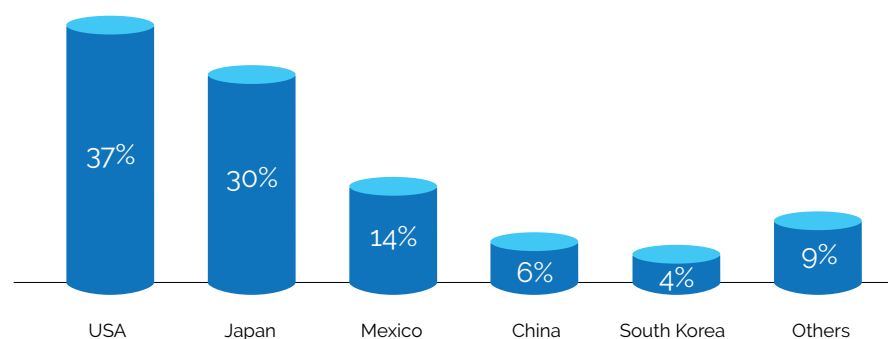




## Alberta Top Five Pork Export Markets 2023

Countries	Canadian Dollars	%	Quantity (Kg)	%
	Total		Total	
United States of America	\$144,126,399	37%	44,046,673	38%
Japan	\$116,211,944	30%	21,340,235	19%
Mexico	\$53,513,317	14%	24,057,362	21%
China	\$22,306,216	6%	10,724,734	9%
South Korea	\$13,802,603	4%	2,261,208	2%
Others	\$34,888,596	9%	12,232,655	11%
<b>Total</b>	<b>\$384,849,075</b>	<b>100%</b>	<b>114,662,867</b>	<b>100%</b>

## Top Five Alberta Pork Export Markets 2023 / Total CAD \$384,849,075



## Alberta Pork Production 2023\*

	Canada	Alberta
Hog Slaughter	21,761,313	2,728,059
Carcass Weight (Kg)	107.54	104.69
Pork Production (MT)	2,340,212	285,440

\*Combined data from Agriculture and AgriFood Canada and Alberta Pork.

# A YEAR IN REVIEW

## Pig Safe / Pig Care Program



Quality assurance (QA) are proactive approach organizations used to ensure their products, services, or processes meet customer expectations. It involves various techniques to prevent, detect, and resolve defects and errors, fostering trust and promoting reliable performance.

### Quality assurance provides key benefits:

- Reduces Risks: Catches issues early to avoid costly recalls.
- Boosts Satisfaction: High-quality products lead to loyal customers.
- Encourages Improvement: Regular checks help adapt to needs.
- Increases Efficiency: Streamlined processes save time and resources.

This year, producers that were in the CQA/ACA are now Pig Safe | Pig Care certified. Alberta Pork is appreciative of the efforts of all our producers and stakeholders in accomplishing this transition.

### Audits 2024

The internal and third-party audits serve to enhance the credibility of the system, fostering increased confidence among both consumers and trading partners, promoting transparency and trust throughout the industry.

This year, 10 premises were internally audited, and 4 premises received third party audits under the Pig Safe | Pig Care program, receiving an overall compliance rate of 95%. Minor and Major non-compliance ranged between 1% and 3%, respectfully. All corrective actions were readily resolved. Overall, we saw another excellent year for our producers and the PigSafe PigCare program.

### Transport Quality Assurance – TQA (Pork Checkoff)

The Transport Quality Assurance (TQA) program was created by the National Pork Board in the USA . Alberta Pork delivers this program to producers at no charge and includes Canadian regulations and requirements under the Health of Animals Act (HAA). Training can be made available to producers in the format they prefer whether that be in-person, on-farm or by Zoom.

TQA training covers the importance of animal handling and animal behaviour, highlighting the impact of day-to-day practices on animal handling stress and the people working with them.

By understanding the best practices for production, transport and management, we are safeguarding the welfare of our pigs and the quality of the pork we produce.

<i>Number of Training Sessions</i>	<i>Number of TQA Certified</i>
24	288

### Biosecurity

Our industry has one of the highest biosecurity standards, highlighting the importance of good protocols for washing and disinfecting barns and trailers—critical for disease prevention.

As an industry – farmers, drivers and processors work together to ensure the value-chain remains strong and reliable, from the farm gate to your table.

## Surveillance

Alberta Pork, the Government of Alberta and high traffic facilities across the province, continue to work together to maintain disease surveillance in the province. Every week samples are sent to the Alberta Government laboratory, testing for Porcine Epidemic Diarrhea Virus (PEDv) and Porcine Delta Coronavirus. Through this program, if a site is positive, we can take prompt action to mitigate impacts.

### Surveillance Sampling Summary

September 1, 2023, to August 31, 2024

Category	Sum of Tested	Sum of Negative	Sum of Positive	Positive Event
Assembly	348	348	0	0
Processor	1172	1172	0	0
Wash	924	924	0	0
<b>Grand Total</b>	<b>2444</b>	<b>2444</b>	<b>0</b>	<b>0</b>

## Traceability

Alberta Pork continues to be the delegated authority for the Alberta Swine Traceability System, which then feeds into the national traceability system, PigTrace . By reporting to the Alberta Swine Traceability System, producers and processors fulfill all traceability reporting requirements both provincially and federally. The combined efforts of our producer, transporters and processors in Alberta allowed us to maintain our overall compliance rate of 96% for 2024. This year, Alberta Pork partnered with North 49 to support consolidated movement reporting to the Alberta Swine Traceability System. Due to the hard work of producers, transporters and North 49 we have been able to ensure these movements are captured and reported on a routine basis.

In continuation of its work with Maple Leaf Foods Lethbridge, Alberta Pork has trained all of its producers on the e-manifest. Maple Leaf Foods is currently rolling out the system with their staff and will be the first federally inspected processing facility to move to electronic reporting.



## Sustainable Canadian Agricultural Partnership (SCAP)

In 2024, Alberta Pork continued to assist producers to access funding programs under the Sustainable Canadian Agricultural Partnership (SCAP). This year, the on-Farm Efficiency Program was the main focus for pork producers with Alberta Pork assisting 25 producers with 28 applications mainly for smart technologies and energy efficient upgrades.

## Settlement Data

Alberta Pork started work on the collection of settlement data authorized under the *Marketing of Agricultural Products Act* – Alberta Pork Producers Commission Regulation project to provide industry with more transparent data. Industry consultations with federally inspected processors are underway as Alberta Pork works to develop an automatic system that will publish this data on a weekly basis.

## Wild Boar

Operating under the African Swine Fever Executive Management Board (ASF EMB) which includes federal, provincial, and territorial (FPT) governments and industry representatives. The goal of this group is to prioritize preparedness activities to address the risk of ASF introduction in Canada. The ASF EMB has created Canada's Pan-Canadian Action Plan on African Swine Fever (ASF)'s which includes four priority activities:

1. Enhanced biosecurity and prevention
2. Preparedness planning
3. Ensure business continuity
4. Coordinated risk communications

Under priority activity one, Enhanced biosecurity and prevention, Alberta Pork has continued its efforts to support the eradication of Wild Boar-at-Large from Alberta's landscapes.

This year, Alberta Pork successfully scaled up its eradication efforts by expanding the boots on ground to four teams of eradication specialists, two working in Northwest Alberta and two working in Eastern Alberta. As a part of this process, Alberta Pork in partnership with Alberta Agriculture and Irrigation, the Alberta Invasive Species Council (AISC) and U.S.-based trap manufacturers, PigBrigg and Jager Pro, hosted Canada's first Wild Boar-at-Large Eradication training session. More than 20 trappers, staff from rural municipalities, members of First Nations and Métis communities, and private pest control companies were trained.



With additional teams on board, Alberta Pork is expanding the program to not only enhance eradication efforts but to support surveillance along the Saskatchewan border and develop camera grids that can be used to gauge Wild Boar-at-Large population numbers as well as to support response efforts in the event that African Swine Fever does arrive in Canada.

# PUBLIC AWARENESS

Alberta Pork continues to engage in culinary events and sponsorship opportunities to increase public awareness for pork products and our producers.

We had a number event opportunities to engage with the public over the past year, including; Taste Alberta, Alberta Pork's signature restaurant event *Swine & Dine*, Christmas in November at the Jasper Park Lodge, Alberta International Business Competition, Alberta Beer Festival in Calgary, High School Culinary Challenge in Edmonton, NAIT butcher demonstration, regional sponsor for Team Canada Butchery, and through our 'June is Month' activities with retailers (Sunterra Markets, Calgary CO-OP, Federated CO-OP).



# ADVOCACY UPDATE

The fall of 2023 Alberta Pork did meet with the Honourable RJ Sigurdson, Minister of Agriculture and Irrigation, to request support for producers effected by drought conditions and to highlight the fact that confided feeding operations were significantly affected by the high price of grains. Unfortunately the government continues to hold firm on supporting for grazing animals only.

On separate occasions, Alberta Pork directors also meet with, Minister Sigurdson and Deputy Minister Jason Hale, Alberta Agriculture and Irrigation, to discuss topics of interest to Alberta pork producers, such as business risk management programs, national mandatory hog price reporting to determine Canadian cutout value, African Swine Fever (ASF) support, wild boar management, trade concerns and more.

Over the past year, Alberta Pork has been working with the Agriculture Financial Services Corporation (AFSC) to review programs like AgriStability and the Western Livestock Price Insurance Program (WLPPI).

In collaboration with other provincial pork organizers, the Canadian Pork Council (CPC) and our Livestock commodity partners, Alberta Pork continued our advocacy efforts on key private member bills:

- **Bill C-234** – An Act to amend the Greenhouse Gas Pollution Pricing Act
- **Bill C-282** – An Act to amend the Department of Foreign Affairs, Trade and Development Act (Creates trade issues for pork while protecting supply management)
- **Bill C-293** – An Act respecting pandemic prevention and preparedness (Unfairly targets the meat and livestock sector on pandemic issues)

In addition, the Canadian Pork Council (CPC), to which Alberta Pork is a member, has joined the 'Say No to a Bad Deal' campaign. This coalition, representing Canada's pork and beef sectors, is pushing for renegotiations of the U.K.'s accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Since 2020, the U.K. has exported \$47 million worth of pork products to Canada, while only allowing Canada to export \$2.7 million worth of pork products in return. The Canadian pork industry is requesting better access into the U.K. under existing trade agreements before allowing the U.K. access to other important agreements. While the U.K. has been accepted into the CPTPP by some members, Canada and Mexico have not ratified the agreement to allow the U.K. trade access into our markets.

The Alberta Pork board continue to visit MPs and Senators on Parliament Hill in Ottawa as a part of the Canadian Pork Council's (CPC) Advocacy Day initiative every spring and fall. More recently the meetings are held with both producers and processors to represent broader industry issues.



'Mandatory' country-of-origin labelling (mCOOL) was imposed in 2008 and eventually struck down in 2015, when the World Trade Organization (WTO) sided with Canada and Mexico against the policy. An overview of the issue can be found in the Canadian Hog Journal Spring 2024 edition. Now a new voluntary version 'voluntary' country-of-origin labelling (vCOOL) is scheduled to go into effect in January 2026 in the U.S. This new version has significant implications for the Canadian hog industry.

CPC and the provincial pork producer organizations sent a joint letter to Lawrence MacAulay, Minister, Agriculture and Agri-Food Canada (AAFC) urging his support in speaking out against vCOOL legislation when meeting with his U.S. counterparts. The letter was also shared with all provincial agriculture ministers, including RJ Sigurdson, Minister, Alberta Agriculture and Irrigation.

In addition, CPC and the provincial pork organizations are very mindful of work needed to be done leading up to the 2026 reopening of the Canada United States Mexico Trade Agreement (CUSMA).

# LOOKING AHEAD: STRATEGIC PLAN

In 2025, Alberta Pork aims to focus closely on government **advocacy** efforts for producers at all three levels of government as well as deepening our emphasis on **producer engagement, public awareness, and bridging the gap** amongst stakeholders to ensure our goals are aligned with producer needs.

## Producer Advocacy

We will address political and regulatory barriers in a more proactive manner to present the pork producer voice to the conversation while ensuring producers are fully aware of our activities and the call-to-action needs for their engagement.

## Producer Engagement

Alberta Pork will improve dialogue between the different sectors of our industry so we can understand each others' challenges, wins and vision for the future ahead. It is our goal to have a better understanding of our industry, to ultimately be our own best advocates.

Alberta Pork will strive to enhance producer engagement through a two-way dialogue that fosters a collaborative environment where producers feel valued and heard.

## Public Awareness

We will continue to strategize unique and innovative ways to raise awareness and highlight our hard-working producers who are contribute tremendously to the Alberta economy and the wellbeing of Albertans as we safeguard the food supply in a sustainable manner.

Alberta Pork will work with other stakeholders to find new ways to enhance our relationships with food service, retail and processing, to raise the profile of pork products and garner greater public awareness about the quality and value of pork products.

We are excited to work with a third-party digital marketing team that will revitalize and modernize our existing website with a user-friendly layout and design, content capabilities and sections throughout that will appeal and draw more awareness to consumers and the public.

To enhance our 2025 social media strategy and boost engagement, we will focus on three key areas: *Content diversity, audience interaction, and platform optimization.*

We aim to increase public interactions to create a sense of community and benchmark our efforts.

Lastly, we will optimize our strategy for each platform by analyzing insights and tailoring content specifically for different demographics and behaviors, ensuring we reach a broader audience while maintaining quality engagement. This multifaceted approach will help establish a more vibrant and connected online presence for Alberta Pork.

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## BRIDGING THE GAP

By establishing open channels of communication, we can actively solicit feedback and insights from within our value chain, allowing us to share experiences, challenges, and ideas. This reciprocal dialogue will strengthen our relationships, leading to tailored solutions that meet our value chain needs.

By **bridging the gap**, we will create community and a shared purpose to empower producers, enhance satisfaction, and drive innovation within the industry. Through regular forums, surveys, and informal check-ins, we can initiate discussions about where we are headed as an industry.

# ALBERTA PORK BOARD OF DIRECTORS



**Stan Vanessen**  
Chair  
*Picture Butte, AB*



**Steven Waldner**  
Vice-Chair  
*Skiff, AB*



**Jonathan Klok**  
Treasurer  
*Nobleford, AB*



**Alastair Bratton**  
*Nobleford, AB*



**Marcel Rupert**  
*Three Hills, AB*



**Sandra Spruit**  
*Red Deer, AB*



**Andy Walter**  
*Granum, AB*



**Mike Wurz**  
*Eggleham, AB*

# ALBERTA PORK STAFF



**Darcy Fitzgerald**  
*Executive Director*



**Javier Bahamon**  
*Quality Assurance and  
Production Manager*



**Marilyn Griesheimer**  
*Office and Finance Manager*



**Charlotte Shipp**  
*Industry Programs Manager*



**Cristina Neva**  
*Quality Assurance and  
Production Specialist*



**Jose Rivera**  
*Traceability Administrator*



**Sarah Masters**  
*Administrative Assistant  
Traceability*



**Rawya Selby**  
*Administrative Coordinator*



**Deidre Thomas**  
*Communications and Public  
Relations Manager*



# ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

## Financial Statements

*Year Ended August 31, 2023*

# ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

## Index to Financial Statements

*Year Ended August 31, 2024*

**INDEPENDENT AUDITOR'S REPORT** 19

**FINANCIAL STATEMENTS** 21

Statement of Financial Position 21

Statement of Operations 22

Statement of Changes in Net Assets 23

Statement of Cash Flows 23

Notes to Financial Statements 24



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Alberta Pork Producers Development Corporation

### *Opinion*

We have audited the financial statements of Alberta Pork Producers Development Corporation (the corporation), which comprise the statement of financial position as at August 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the corporation as at August 31, 2024, 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.

### *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 corporation 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.

### *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 corporation'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 corporation or to cease operations, or has no realistic alternative but to do so.

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

*(continues)*

Independent Auditor's Report to the To the Members of Alberta Pork Producers Development Corporation  
(continued)

- 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 corporation'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 corporation'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 corporation 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.

*King + Company*

Edmonton, AB  
October 18, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

### Statement of Financial Position

As at August 31, 2024

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 2)	\$ 1,203,249	\$ 819,304
Short-term investments (Note 3)	974,693	940,688
Accounts receivable (Note 4)	714,236	410,541
Prepaid expenses	14,414	14,414
	<u>2,906,592</u>	2,184,947
<b>PORTFOLIO INVESTMENTS (Note 6)</b>	<b>4,400,768</b>	4,064,745
<b>PROPERTY AND EQUIPMENT (Note 7)</b>	<b>185,677</b>	242,000
	<u>\$ 7,493,037</u>	<u>\$ 6,491,692</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 151,334	\$ 139,694
Externally restricted for deferred operating grants (Note 9)	1,484,562	311,713
	<u>1,635,896</u>	451,407
<b>DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT (Note 11)</b>	<b>138,455</b>	175,596
	<u>1,774,351</u>	627,003
<b>NET ASSETS</b>		
Invested in property and equipment	47,222	66,404
Internally restricted (Notes 9, 10)	3,560,847	2,527,817
Unrestricted	2,110,617	3,270,468
	<u>5,718,686</u>	5,864,689
	<u>\$ 7,493,037</u>	<u>\$ 6,491,692</u>

#### ON BEHALF OF THE BOARD

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

## Statement of Operations

Year Ended August 31, 2024

	2024	2023
<b>REVENUE</b>		
Universal service charges	\$ 2,324,008	\$ 2,326,714
Universal service charges refund	(111,854)	(98,559)
	<u>2,212,154</u>	2,228,155
Grant projects ( <i>Note 9</i> )	1,120,617	1,338,098
Canadian Hog Journal	93,450	152,718
Expense recoveries, rental and other	11,594	9,648
	<u>3,437,815</u>	3,728,619
<b>EXPENSES</b>		
Grant projects	1,479,401	1,371,857
Salaries and benefits ( <i>Note 13</i> )	910,002	798,021
Administration	425,735	403,934
Canadian Pork Council	416,556	416,948
Producer services	219,652	247,233
Canadian Hog Journal	99,525	110,932
Directors ( <i>Note 16</i> )	97,110	69,794
Producer relations	82,179	119,550
Research	72,000	72,000
General marketing and public awareness	58,975	48,867
Professional fees	25,165	13,000
Contracted services	22,821	5,000
Public relations	13,217	16,244
Bad debts	-	11,725
	<u>3,922,338</u>	3,705,105
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<u>(484,523)</u>	23,514
<b>OTHER REVENUE (EXPENSES)</b>		
Investment		
Unrealized increase in fair market value of portfolio investments	190,847	265,616
Realized investment income ( <i>Note 14</i> )	166,855	2,629
	<u>357,702</u>	268,245
Property and equipment		
Amortization of deferred contributions related to property and equipment ( <i>Note 11</i> )	37,141	19,511
Gain on disposal of property and equipment	-	14,323
Amortization of property and equipment	(56,323)	(36,024)
	<u>(19,182)</u>	(2,190)
	<u>338,520</u>	266,055
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ (146,003)</u>	<u>\$ 289,569</u>

**ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION**
**Statement of Changes in Net Assets**
**Year Ended August 31, 2024**

	Invested in Property and Equipment	Internally Restricted (Notes 9, 10)	Unrestricted	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 66,404	\$ 2,527,817	\$ 3,270,468	\$ <b>5,864,689</b>	\$ 5,575,120
Excess (deficiency) of revenue over expenses	(19,182)	-	(126,821)	<b>(146,003)</b>	289,569
Transfers, net	-	1,033,030	(1,033,030)	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ <b>47,222</b>	\$ <b>3,560,847</b>	\$ <b>2,110,617</b>	\$ <b>5,718,686</b>	\$ 5,864,689

**ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION**
**Statement of Cash Flows**
**Year Ended August 31, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Cash receipts from universal service charges, net	\$ <b>2,327,078</b>	\$ 2,204,287
Cash receipts from grants and other, net	<b>1,912,051</b>	396,573
Cash receipts from investment revenue	<b>158,543</b>	123,847
Cash payments to suppliers and for administration costs	<b>(3,831,158)</b>	(3,808,887)
Cash flow from (used by) operating activities	<b>566,514</b>	(1,084,180)
<b>INVESTING ACTIVITIES</b>		
Redemption of short-term investments	<b>940,688</b>	1,837,807
Proceeds on disposal of property and equipment	-	24,999
Purchase of equipment	-	(239,542)
Proceeds from (purchase of) investments, net	<b>(148,564)</b>	514,783
Purchase of short-term investments	<b>(974,693)</b>	(940,688)
Cash flow from (used by) investing activities	<b>(182,569)</b>	1,197,359
<b>INCREASE IN CASH</b>	<b>383,945</b>	113,179
<b>CASH - BEGINNING OF YEAR</b>	<b>819,304</b>	706,125
<b>CASH - END OF YEAR</b>	\$ <b>1,203,249</b>	\$ 819,304

# ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

## Notes to Financial Statements

Year Ended August 31, 2024

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### NATURE OF OPERATIONS

Alberta Pork Producers Development Corporation is empowered by the Alberta Pork Producers Marketing Plan, which is established under the Marketing of Agricultural Products Act in the Province of Alberta. The corporation is subject to supervision by the Alberta Agricultural Products Marketing Council, which is appointed by the government of the Province of Alberta, for supervisory and enforcement purposes in respect of Alberta producers' boards and marketing commissions.

The corporation is a government-regulated, self-sustaining, non-profit orientated, producer-managed entity. The corporation collects a hog service charge and uses these funds for development, growth and promotion of the Alberta pork industry. It is exempt from income taxes under the Income Tax Act.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Revenue Recognition**

The corporation 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 if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Universal services charges and other revenue are recognized as revenue when received or receivable.

#### **Foreign Currency Translation**

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

*(continues)*



**ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION****Notes to Financial Statements****Year Ended August 31, 2024**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)****Financial Instruments****Initial Measurement**

The corporation initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the corporation is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the company in the transaction.

**Subsequent Measurement**

The corporation subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in earnings in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash, short-term investments and accounts receivable. Financial liabilities measured at amortized cost using the straight-line method include accounts payable and accrued liabilities.

**Transaction Costs**

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in earnings in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in earnings over the life of the instrument using the straight-line method.

**Impairment**

For financial assets measured at cost or amortized cost, the company determines whether there are indications of possible impairment. When there are, and the company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in earnings. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in earnings.

**Cash**

Cash is comprised of funds held in financial institutions.

(continues)

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

### Notes to Financial Statements

Year Ended August 31, 2024

#### 1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Property and Equipment

Property and equipment are stated at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Vehicles	20%	straight-line method
Furniture and fixtures	20%	declining balance method
Equipment	20%	declining balance method
Computers	50%	straight-line method

The corporation regularly reviews its property and equipment to eliminate obsolete items.

##### Impairment of Long Lived Assets

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

##### Pension Plan

The corporation maintains a defined contribution pension plan under which amounts are contributed to employees' RRSP accounts. Expense for this plan is equal to the corporation's required contribution for the 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.

#### 2. CASH

Cash is restricted for the following:

	<u>2024</u>	<u>2023</u>
Operating grants	\$ 988,104	\$ 188,727
Unrestricted	<u>215,145</u>	<u>630,577</u>
	<u>\$ 1,203,249</u>	<u>\$ 819,304</u>

#### 3. SHORT-TERM INVESTMENTS

Short-term investments are comprised of guaranteed investment certificates with interest rates averaging 3.93% (2023 - 3.77%) and a maturity date of June 30, 2025.

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

### Notes to Financial Statements

Year Ended August 31, 2024

#### 4. ACCOUNTS RECEIVABLE

	2024	2023
Grants	\$ 486,458	\$ 192,986
Universal service charges, advertising and other	219,247	209,876
Interest	6,497	6,022
Goods and services tax	2,034	1,657
	<b>\$ 714,236</b>	<b>\$ 410,541</b>

#### 5. EXTERNALLY RESTRICTED ASSETS

The following assets are restricted for operating grants:

	2024	2023
Cash (Note 2)	\$ 998,104	\$ 118,727
Grants receivable (Note 4)	486,458	192,986
Total assets restricted for operating grants (Note 9)	<b>\$ 1,484,562</b>	<b>\$ 311,713</b>

#### 6. PORTFOLIO INVESTMENTS

	2024 Cost	2024 Market Value	2023 Cost	2023 Market Value
Canadian equities	\$ 3,798,869	\$ 4,400,768	\$ 3,653,693	\$ 4,064,745

#### 7. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Vehicles	\$ 152,667	\$ 51,296	\$ 101,371	\$ 131,904
Furniture and fixtures	213,906	208,232	5,674	7,092
Equipment	149,436	72,454	76,982	96,227
Computers	13,910	12,260	1,650	6,777
	<b>\$ 529,919</b>	<b>\$ 344,242</b>	<b>\$ 185,677</b>	<b>\$ 242,000</b>

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

### Notes to Financial Statements

Year Ended August 31, 2024

#### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Accrued vacation pay	\$ 92,908	\$ 87,308
Suppliers and Canadian Pork Council	58,426	52,386
	<u>\$ 151,334</u>	<u>\$ 139,694</u>

#### 9. OPERATING GRANTS

The corporation receives grant funding for various projects which must be expended in accordance with the grant agreement. These funds are recorded as deferred operating grants when received and recorded as grant revenue when expended. Unexpended funds are returned after the grant agreement has ended. For some grants, the corporation will match with corporate funds which are internally restricted. The following is a summary of the outstanding externally restricted deferred operating grants and the internally restricted funds at August 31:

	2024	2023
<b>Deferred Operating Grants</b>		
Balance - beginning of year	\$ 311,713	\$ 1,407,086
Contributions received or receivable	2,293,466	595,064
Contributions repaid and transfers	-	(352,339)
Recognized as revenue	<u>(1,120,617)</u>	<u>(1,338,098)</u>
Balance - end of year	<u>\$ 1,484,562</u>	<u>\$ 311,713</u>
<b>Internally Restricted Funds for Deferred Operating Grants</b>		
Balance - beginning of year	\$ 527,817	\$ 529,994
Net transfer (to) from unrestricted funds	<u>1,033,030</u>	<u>(2,177)</u>
Balance - end of year	<u>\$ 1,560,847</u>	<u>\$ 527,817</u>

#### 10. INTERNALLY RESTRICTED FUNDS

In addition to the internally restricted funds for deferred operating grants in Note 9, the board of directors has internally restricted additional net assets of \$2,000,000 for the following purposes:

- i) Unforeseen expenditures relating to health, food safety or environmental concerns,
- ii) Unforeseen economic threats or opportunities affecting competitiveness or trade,
- iii) The wind-up of the corporation should the need occur.

## ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

### Notes to Financial Statements

Year Ended August 31, 2024

#### 11. DEFERRED CONTRIBUTIONS RELATED TO EQUIPMENT

Unamortized capital contributions represents contributions received and funding spent in the acquisition of equipment stipulated for use in the provision of services over their useful lives. Changes in unamortized capital contributions are as follows:

	2024	2023
Balance, beginning of year	\$ 175,596	\$ -
Additions	-	195,107
Recognized as revenue	(37,141)	(19,511)
Balance, end of year	<u>\$ 138,455</u>	<u>\$ 175,596</u>

#### 12. LEASE COMMITMENTS

The corporation is committed until August 31, 2026 for rent and occupancy costs as defined in the lease as follows:

2025	\$ 81,228
2026	81,228
	<u>\$ 162,456</u>

#### 13. REGISTERED RETIREMENT SAVINGS PLAN

The corporation's portion of employees' registered retirement savings plan included in these financial statements is \$48,336 (2023 - \$43,190).

#### 14. INVESTMENT REVENUE (EXPENSES)

	2024	2023
Dividends	\$ 117,614	\$ 102,584
Interest and other	57,923	45,510
Realized (loss) gain on portfolio investments	17,471	(127,773)
Foreign exchange gain (loss)	(1,118)	6,555
Management fees	(25,035)	(24,247)
	<u>\$ 166,855</u>	<u>\$ 2,629</u>

**ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION****Notes to Financial Statements****Year Ended August 31, 2024**

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**15. FINANCIAL INSTRUMENTS**

The corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the corporation's risk exposure and concentration as of August 31, 2024.

**Credit Risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The corporation's financial instruments that are exposed to credit risk are primarily cash and accounts receivable. The corporation maintains its cash in a major financial institution. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts.

The corporation's accounts receivable are exposed to credit risk as the majority of receivables are from entities that conduct their business in the same industry.

**Currency Risk**

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The corporation is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency 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. In seeking to minimize the risks from interest rate fluctuations, the corporation manages exposure through its normal operating and financing activities. The corporation is exposed to interest rate risk primarily through its fixed income investments.

**Other Price Risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The corporation is exposed to other price risk through its portfolio investments.

**16. RELATED PARTY TRANSACTIONS****Board Members**

The corporation paid honoraria to board members in the amount of \$57,498 (2023 - \$50,015).

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**17. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.





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