

Annual Report

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### State of the Industry

As the 2023-24 fiscal year came to a close – we were a little less enthusiastic about the 2024 crop than we were in June. The theme seems to be that 'looks are deceiving' – the fields looked full, but yield wasn't matching that perception. Time will tell...

As the result of two years of planning, consultation, and positive support from growers, we are quite happy to see the two organizations becoming one. Our team had successfully onboarded the operations of SaskFlax in 2023, so this past year was more focused on the future governance of the two levies. Ultimately, the boards determined the best course of action was to maintain SaskCanola's board size of 8 members and use the 2024 election as an opportunity to open the floor to interested flax growers for board positions. We invited members of the SaskFlax board to participate in SaskCanola board activities as non-voting members until the January 2025 annual general meeting.

Our levy was set up to invest dollars into research and development of the sector. As you flip through this report, you will see evidence of these investments like the research and breeding initiatives and the newly minted Hello Canola brand.

In the past several years, policy and advocacy activities have amplified as a result of increased expectations on the part of farmers, but also government and partner organizations in the agriculture space. Everyone wants to leverage the credibility that farmers have and reference the indirect negative impacts that farmers may face. It creates a lot of noise and lacks prioritization. It can risk the public trust that farmers do hold with consumers.

We always remember the reason our Commission was established – which is research and promotion to increase farmer profitability and consumer demand.

Navigating the political landscape to influence positive policy outcomes for a small voting base like farmers can be a real challenge. We need to make sure that every activity we engage in does not impact those original priorities that are centred around maximizing productivity and sustainable demand.

As we bring together canola and flax levies into the newly formed SaskOilseeds organization, we want to make sure that we are staying true to those goals of the Commissions' founding farmers: to develop the crops through investments in upstream research to advance the crop and breeding research to bring new varieties to the farm gate, and supporting demand through communications to consumers and market access efforts with global customers.

A special thanks to the final SaskFlax directors (acknowledged on Page 4) for their leadership dedication towards the flax sector. Their contributions have been critical to the successful outcome of this amalgamation.

Thank you to outgoing Chair Keith Fournier for the eight years he has contributed to SaskCanola. Keith's enthusiasm for canola, research, and public trust investments have made it a great experience to work alongside him for both board members and staff of the organization. We can't wait to see where your passion for agriculture takes you next!



Keith Fournier
SaskOilseeds Chair



Tracy Broughton
SaskOilseeds Executive Director

### **Amalgamation**

SaskOilseeds is the newly amalgamated SaskCanola and SaskFlax Commissions, representing 17,000 canola farmers and 3,400 flax farmers in the province.

This decision comes after resolutions were passed at both organizations' Annual General Meetings in January 2023, calling for the two organizations to explore options for potential amalgamation.

In January 2024, both Commissions held Annual General Meetings to share the outcomes of feedback gathered through an online consultation survey from Saskatchewan's canola and flax growers. The responses were overwhelmingly supportive of amalgamation.

Formal voting on the proposed amalgamation took place during the meetings and was met with widespread approval, signaling a historic moment for the canola and flax industries in Saskatchewan.

The collaborative efforts are expected to streamline operations, enhance research initiatives, and provide a more cohesive voice for oilseeds growers in the province. Both Commissions worked with Agri-Food Council to amend regulations as the amalgamation officially took place on August 1, 2024.

Both boards continued to provide respective leadership until the final audits were complete, at which point the single entity emerged with one board and one staff.







### Strategic Plan

### **Vision**

Growing producer prosperity

### **Mission**

To provide value to oilseed producers through research, advocacy and market development

### 2023 – 2026 SaskOilseeds' Strategic Plan



### **Goal #1 Successful Innovation**

Research investments drive innovation at a farm level for the long-term viability of oilseeds crops in Saskatchewan



### **Goal #2 Advocating for Prosperity**

Collaborative industry leadership encouraging successful farm businesses and a positive image of Western Canadian agriculture



### **Goal #3 Increasing Market Demand**

Driving sales demand for oilseeds in coordination with other organizations



### **Goal #4 Operational Excellence**

Achieve operational excellence through effective stewardship of the levy



### **Board of Directors** SaskCanola

The SaskCanola Board became the SaskOilseeds Board following the amalgamation on August 1, 2024.



Keith Fournier Chair Lone Rock SK



**Dean Roberts** Vice-Chair Coleville SK



David Altrogge Director St. Benedict SK



Anthony Eliason Director Outlook SK



Jon Fehr Director Herschel SK



Codie Nagy Director Ogema SK



Margaret Rigetti Director Langbank SK



Ed Schafer Director Makwa SK

### SaskFlax

The SaskFlax Board of Directors dissolved on July 31, 2024. Former SaskFlax directors Patricia and Thomas put their nominations forward for election to the SaskOilseeds Board in Fall 2024.



**Greg Sundquist** Chair Watrous SK



Patricia Lung Vice-Chair Humboldt SK



**John Burns** Director Wynyard SK



Thomas MacKenzie Director Regina SK

### **Staff Members**

The SaskOilseeds Staff work to execute Board directives to build value for farmers.



**Tracy Broughton**Executive Director



**Doug Heath** Research Manager



**Ellen Grueter** Communications Manager



**Dale Leftwich** Policy Manager



**Lynn Weaver** Market Development Manager



Kaeley Kindrachuk Canola Agronomy Extension Specialist



Kade Kettenbach Flax Research & Extension Specialist



Hannah Bryant Communications Specialist



Regan Udell Finance Administrator



Brittany Peterson Office Administrator

### 2023-24

### Year in Review Highlights





### **Fall**

Seven, five-year, multi-crop agronomic research projects were announced for \$7.6 million co-funded through the Integrated Crop Agronomy Cluster, to provide insight on widespread agronomic issues.



The market development department's new Hello Canola campaign launch took place in August.

Casual presentations and networking between Sask Crop Commissions' staff and post-secondary students over a pizza lunch took place on both the U of S and Sask Polytechnic campuses; a unique opportunity to promote careers in agriculture and available scholarships.

SaskOilseeds hosted its seventh Learn to Lead workshop – a personal and professional development program designed to create future leaders in Saskatchewan's agriculture industry.

### Winter

SaskCanola and SaskFlax's Annual General Meetings were held on January 9th.

Seven new canola research projects were announced for co-funding through Saskatchewan's Agriculture Development Fund, with SaskOilseeds contributing \$836,227 levy dollars.

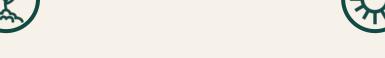
The Sask Crop Commissions hosted an onfarm research trials wrap-up banquet to share results and encourage networking amongst the cooperating farmers and agronomists.

SaskOilseeds in collaboration with SaskBarley, hosted Top Notch Farming extension meetings in Spiritwood, Unity, St. Walburg and Melfort. Presentation topics included canola on-farm research trial and ADOPT project results, current flax research, barley research and trials results, risk management tools for grain marketing, disease testing, and pollinator biosecurity.









### **Spring**

SaskOilseeds Board and Senior Leadership participated in the Canadian Crops Convention, hosting four Learn to Lead alumni in a continued effort to invest in building leadership capacity for Saskatchewan agriculture.

SaskOilseeds' Market Development Manager mentored Ashley Williams, a dietitian masters student, for a six-week internship. As part of her grad studies, Ashley is conducting research on how agricultural university courses are presented in Canada.

Year two of SaskOilseeds on-farm research trial protocols were seeded by cooperators across the province.



### Summer

Twelve new canola research projects were announced for co-funding shared by SaskOilseeds, Alberta Canola, Manitoba Canola Growers, and Western Grains Research Foundation.

The Sask Crop Commissions hosted a Coffee Shop Talk in Biggar on June 26th that marked the kick-off to summer field days; an opportunity for Commission Staff and growers to connect and talk about research trials programs and protocols.

SaskOilseeds summer board meeting saw staff and directors sit around a table at the St.Walburg community hall in mid-July, complete with a tour of Director Ed Schafer's farm operation near Makwa Lake.



SaskOilseeds' Staff volunteered at the popular Crop Diagnostic School – held in Melfort this year – guiding groups of farmers and agronomists through learning stations.

## **Canola**Research

SaskOilseeds invests in research on behalf of farmers to advance the canola industry and solve issues related to canola production. We collaborate with partners at provincial and national levels to share project costs, knowledge, and expertise to make efficient use of levy dollars. Joint participation on shared objectives means levy funds generate more and better results that have a broader impact for the entire industry.

## **Highlights**This Year

\$3.0M

in payments to support 81 new and existing research projects

\$4.2M

committed to fund **42** new canola research projects

\$800K

provided in capacity funding to the **8** Saskatchewan Agri-ARM sites

\$72K

invested in 4 graduate student scholarships

\$30K

committed per year to fund the WCVM Research Chair in Pollinator Health at the U of S

\$5.01

SaskOilseeds' research funding leveraging ratio

24

sites between 4 protocols for SaskOilseeds' on-farm research trial programs

sponsorships of research-oriented conferences:
Canola Week, Soils & Crops Workshop and Top Crop Summit

### **Cumulative Achievements**

**526** 

canola research projects funded since 1991

375+

canola research project results available at **saskoilseeds.com** 

### Graduate Scholarship Recipients

SaskOilseeds graduate student scholarship program ensures growers will continue to have the agronomic support they need for successful canola production and that industry will have research scientists for future generations. Meet our 2024 recipients:



#### Cresilda

is studying the molecular function of Plasmodiophora brassicae effector proteins to understand and combat clubroot disease in canola, aiming to develop clubrootresistant canola cultivars.



#### Nirpesh

is focused on value addition of canola meal by extraction of nutrients in the form of amino acids, vitamins and minerals, for use as a 'canola meal extract' in microbial media in industrial fermentations.



#### Kate

is researching the impact of herbicide-tolerant canola and no-till practices on agricultural greenhouse gas emissions, carbon sequestration and sustainability in Saskatchewan, with the goal of informing policy to enhance sustainable practices and recognize farmers' contributions to climate change mitigation.



#### Hansanee

is developing a systematic yield prediction model by using remote sensing technology to identify factors that drive canola yield, including mapping the long-term stability of canola yield across fields.

### **New Research Projects**

for 2023-2024

Project Title	Funding Stream	SaskOilseeds Investment	Total Project Cost
Canola response to enhanced efficiency nitrogen fertilizer products and blends	ADOPT	\$90,000	\$90,000
Evaluating the efficiency of glufosinate and clethodim in varying water qualities in combination with water conditions in canola	ADOPT	\$12,000	\$12,000
Enhancing canola disease management: a comprehensive canola disease training program for farmers	ADOPT	\$29,200	\$29,200
Does seeding date and rate of canola effect spring flea beetle pressure, yield, and quality?	ADOPT	\$18,200	\$35,400
Studying Sclerotinia sclerotiorum-infecting viruses collected from Saskatchewan for their potential role in disease control	ADF	\$313,375	\$626,750
Land Application of Spent Filtration Earth From Canola Oil Production to Improve Soil Properties	ADF	\$45,310	\$163,510
Innovations to control troublesome weeds	ADF	\$82,875	\$248,625
Marker development and establishment of qPCR-based screening for verticillium stripe disease in Canola	ADF	\$129,375	\$354,375
Understanding, mitigating, and managing PPO inhibitor (Group 14)-resistant kochia	ADF	\$30,000	\$619,000
Identifying new genetic resources to optimize the canola oil profile	ADF	\$127,600	\$127,600
Development of a Co-Extruded Canola Meal and Pea Starch Product to Replace Dietary Soybean Meal	ADF	\$107,692	\$402,690
Population dynamics and monitoring programs for midges attacking canola	CARP	\$27,610	\$110,440
Tracking the movement of flea beetles across the Canadian Prairies	CARP	\$70,871	\$212,614

For more details on any of these newly initiated research projects, browse our comprehensive database at saskoilseeds.com



Project Title	Funding Stream	SaskOilseeds Investment	Total Project Cost
A comprehensive survey of Verticillium stripe and establishment of a disease nursery in Morden MB	CARP	\$64,688	\$258,750
Volatile-based trapping and management of flea beetles	CARP	\$104,506	\$209,013
Clubroot Pathotype Evaluation and Monitoring	CARP	\$90,563	\$362,250
Investigating the conditions favoring Verticillium stripe development and yield losses in canola	CARP	\$174,467	\$823,400
Methods to isolate and maintain clubroot for improved resistance screening and labeling	CARP	\$56,925	\$341,550
In vitro culture of Plasmodiophora brassicae	CARP	\$24,955	\$99,820
New pre-breeding tools for canola - facilitating canola improvement by accessing diploid variation	CARP	\$88,000	\$176,000
Comparative analysis of Verticillium longisporum lineages in the Canadian Prairies: Safeguarding canola production	CARP	\$185,150	\$370,300
Expanding BnVQs (Valine-Glutamine) gene family against Sclerotinia sclerotiorum in canola	CARP	\$152,375	\$304,750
Impact of synergistic interaction between V. longisporum and L. maculans on canola yield	CARP	\$104,506	\$475,860
Integrated Crop Agronomy Cluster 2	SCAP	\$150,000	\$1,447,851
SCAP CCC Canola AgriScience Cluster 2023-2028	SCAP	\$1,950,515	\$17,091,950
SaskOilseeds Top Notch Farming Trials	n/a	\$137,363	n/a

**ADF** = Agriculture Development Fund

**ADOPT** = Agriculture Demonstration of Practices and Technologies

**CARP** = Canola Agronomic Research Program

**SCAP** = Sustainable Canadian Agricultural Partnership

## Recently Completed Research Projects

in 2023-2024

### Managing small patches of clubroot infestation in canola fields

Spore numbers dropped dramatically at all sites over 3-4 years with grass and cereal crops, which supports the value of extended rotations in infested fields. This study strongly supports the recommendation that growers extend crop rotations in clubroot-infested fields to at least 2-3 years between susceptible crops because that allows the spore concentration in infested areas to fall, which reduces the risk of spreading spores and breakdown of resistance.

### SKSIS-3: Synergies and Sustainability for the Saskatchewan Soil Information System

A web platform for detailed soil mapping called SKSIS Mapper (mapper.sksis.ca) has been launched by the Saskatchewan Soil Information System Working Group. This platform allows users to generate detailed predicted soil maps and recommended soil sampling designs for their fields based on data collected from those fields. Detailed soil maps help agronomists and producers understand how the soil varies across a field, which can help decision making for precision agricultural management.

## Towards better understanding of genetics in Leptosphaeria-Brassica interactions via International collaborations to standardize the nomenclature of blackleg resistance genes

The best approach to manage blackleg disease is the use of canola cultivars that are genetically resistant to the pathogen. However, cultivars that contain the resistant gene(s) against the most prevalent pathogen race(s) are more likely to be effective in controlling blackleg disease. Markers for race determination of blackleg pathogen and markers that determine the type of resistance gene in canola cultivars have the most practical and immediate benefit for canola farmers by helping them to achieve both goals.

### **Enhancing the Saskatchewan Soil Health Assessment Protocol – Phase 2**

A soil health scoring tool was developed where users can input a soil test result for key biological indicators, select their soil zone, and then be provided with the resultant soil health ranking and description of the relative soil health status for their sample. This tool will be available at researchers.usask.ca/kate-congreves/index.php.





### CANOLADIGEST



Visit saskoilseeds.com and search by keyword and/or project status to view results of farmer-funded research in our online research database

SaskOilseeds' completed research project results can also be found in the Science Special issue of Canola Digest

## Other Completed Projects in 2023-2024 Included:

- A meta-analysis of small-plot trial data to examine the relationship between crop development and environmental conditions in canola
- Addressing yield stability drivers of canola in a changing climate using high throughput phenotyping
- Preserving hybrid vigour through a novel apoximis breeding strategy in Brassica crops
- Increasing abiotic (drought) and biotic (clubroot) resistance in Brassica species (Arabidopsis and Canola) by modifying auxin response

- From field to the genome. Application of 3rd generation sequencing to direct genotyping of canola pathogens
- Investigating interactions of ascospores and pycnidiospores with blackleg resistance in canola and efficacy of new seed applied fungicides in these specific interactions in western Canada
- New Clubroot Pathotypes and Second Generation Resistance
- Understanding canola root morphology and microbiomes in response to soil phosphorus fertility
- Orought tolerance in Canola through modulating the Kanghan (KH) gene family
- Biopesticides as a Novel Management Strategy for Sclerotinia in Canola

### Flax Research

The majority of the flax levy is invested into research projects in an effort to further develop flax as a viable crop rotation option, and to enhance the production experience for farmers.

### **Priorities**

- > Speed breeding for improved yield
- > Breeding for enhanced heat & disease tolerance
- Breeding for reduced fiber for straw
- > Microbially mediated straw breakdown
- Neuroprotective components of flax



### 2023-24

### Newly-funded Flax Projects

Project Title	Funding Stream	SaskOilseeds Investment	Total Project Cost
Accelerated Breeding Strategy for Flax	ADF	\$73,128	\$546,874
Demonstrating efficacy of new foliar fungicides in flax	ADOPT	In-Kind	\$12,500
Diverse Field Crops Cluster:  1. Integrated Approaches for the Genetic Improvement of Flax  2. Greenhouse Gas Program for Diverse Field Crops	SCAP	\$442,375	\$2,259,780

**ADF** = Agriculture Development Fund

**ADOPT** = Agriculture Demonstration of Practices and Technologies

**SCAP** = Sustainable Canadian Agricultural Partnership

## Recently Completed Research Projects

in 2023-2024

### Reduction of Cadmium Uptake in Flax Agronomic Strategies

Findings from two years of this project suggest that at the rates and formulations used in this project, the application of neither zinc nor calcium is effective at reducing cadmium accumulation in medium-high to high cadmium-accumulating flax varieties.



To unpack these project results further, please contact our Flax Research & Extension Specialist, Kade Kettenbach

### **Flax** Market Development



SaskFlax partners with the Manitoba Flax Growers Association and the Flax Council of Canada on the HealthyFlax.org website to increase consumer awareness and consumption of flaxseed.



### Oilseeds Agronomy Extension

### **Supporting Sask Agri-Arm Sites**

SaskOilseeds provides \$2,500/year/location to support field days at the 8 Agri-ARM sites in the province. All ADOPT research projects take place at Agri-ARM sites – ADOPT stands for Agriculture Demonstration of Practices and Technologies. This year, SaskOilseeds also invested \$100,000/location as capacity funding for each site to upgrade equipment or buildings as needed to support their ongoing research work.

agriarm.ca

### **Disease Testing Program**

SaskOilseeds, in partnership with the Saskatchewan Ministry of Agriculture and Discovery Seed Labs, are ensuring farmers have the tools they need to detect the most devastating canola diseases on their farm by offering free disease tests for clubroot, blackleg, and verticillium stripe.

During the 2024 growing season, we saw a large increase in interest, receiving 81 blackleg and verticillium stripe results back. 30 had at least 1 stem sample positive for Verticillium Stripe (38% positive) and 51 had at least 1 stem sample positive for L. maculans (the aggressive species of Blackleg that causes yield damage). In addition, 319 clubroot samples were taken between our program and the Sask Ministry of Agriculture's canola disease survey.

saskcanola.com/disease-testing-programs

### **Sponsorships**

SaskOilseeds supports the Canadian agriculture industry by sponsoring initiatives (BeGrainSafe program, Canadian Agronomist and Sprayers 101) and events (Ag in Motion and Crop Diagnostic School) that provide value to growers and agronomists.

saskcanola.com/sponsorships

#### **On-Farm Research Trials For Canola**

SaskOilseeds is currently seeking farmers who would like to participate in our 2025 Top Notch Farming Trials. This program, launched in 2023, is SaskOilseeds' new on-farm, field scale research program. If you are interested in participating or have a suggestion for a trial you would like to see, please contact SaskOilseeds.

saskcanola.com/on-farm-field-scale-research

### **Flax Variety Trials**

SaskOilseeds invests annually in flax variety trials to support the registration of new flax varieties. Trials are governed by the Prairie Recommending Committee on Oilseeds, part of the Prairie Grain Development Commission.

#### **Other Resources**

SaskOilseeds Staff contributed content to the Varieties of Grain Crops, Herbicide Carryover, and Insecticide Options documents (available online), and developed a Split Nitrogen in Canola and Wheat resource in collab with Sask Wheat.

saskcanola.com/agronomy-resources





## Communications & Events

SaskOilseeds works strategically with the oilseeds network to provide Saskatchewan growers with the resources and tools needed to optimize canola and flax production and profitability on their farms.

#### **Events**

Farmers are invited to attend our upcoming meetings:

- Sask Crops Forum
  - January 14 & 15, 2025 Saskatoon
  - Including Crop Commission AGMs, four keynote sessions, plus extensive networking!
- SaskOilseeds' Annual General Meeting
  - January 15, 2025 Saskatoon
  - Including the official launch of the new SaskOilseeds brand
- ➤ Top Notch Farming winter extension meetings
  - February 4, 2025 Hudson Bay
  - February 5, 2025 Melfort
  - February 11, 2025 Weyburn
  - February 12, 2025 Moosomin

saskcanola.com/events



SaskOilseeds.com houses all of our achievements, resources, and news – and then we broadcast information on other channels.



SaskOilseeds shares relevant and timely content 1-2x per day to over 5,600 followers. Join our following!

in Linkedin

SaskOilseeds launched its LinkedIn page last August. Give our page a follow!

**E-Newsletters** 

SaskOilseeds contributes content to the weekly (during the growing season) issues of Canola Watch – a canola agronomy-focused e-newsletter sent to Prairie farmer subscribers. In addition, SaskOilseeds distributes a monthly e-newsletter to share achievements of the Commission. See Page 51 to subscribe.



All Saskatchewan canola farmers receive 5 issues of Canola Digest to their mailboxes per year. The publication covers a range of topics from research and agronomy to the latest developments in the canola industry.



Last October, SaskCanola launched a texting service to share weekly (during the growing season) agronomy resources plus event notices and urgent news/alerts with farmers. See Page 51 to subscribe.



## Canola Market Development

SaskOilseeds shares the message of canola oil, meal and biofuel in Canada to increase domestic consumption.

### **Provincial** Investments

SaskOilseeds provides funding and a board representative to each of the two public trust oriented Saskatchewan-based organizations – Ag in the Classroom and Farm & Food Care - whose efforts work to bridge the urban-rural gap.



Connecting Kids and Agriculture

AITC-SK's goal is to connect school-age kids and agriculture through innovative, experiential and curriculum-based programs and resources that include nods to canola and flax.

aitc.sk.ca



FFC-SK provides a coordinated effort and unified voice for the agriculture industry, connecting consumers with factbased, modern farming information and resources through their Canadian Food Focus initiatives. Canola oil is featured in articles, recipes, and cook-alongs.

farmfoodcaresk.org



Keith Fournier represents SaskOilseeds on the Ag in the Classroom Saskatchewan Board. Dave Altrogge represents SaskOilseeds on the Farm & Food Care Saskatchewan Board.

SaskOilseeds partnered with CTV Morning Live, Saskatchewan's most popular breakfast show, to showcase "all things canola" monthly to share the crop's success story. CTV Morning Live reaches over 90,700 viewers weekly. Topics have included biofuels, bee health, industry jobs, nutrition, and delicious ways to use canola oil in recipes, with local canola experts. Visit the link below to view the monthly stories we are creating and sharing through this campaign.

saskcanola.com/provincial-market-development-investments

### National Canola Marketing Program

Canola is the country's only "made in Canada" crop, tied to more than 207,000 Canadian jobs and contributing nearly \$30 billion to the economy each year, yet most Canadians are unfamiliar with the crop and its uses.

As global demand for the crop continues to grow, Alberta Canola, SaskCanola and Manitoba Canola Growers came together to create the National Canola Marketing Program (NCMP), a new initiative focused on expanding what Canadians think of canola and showcasing how it relates to them, while also celebrating the impact canola has on Canada and the world.

Canadians love when something is created in Canada – especially when it has the quality we can believe in, stand by and even boast about.

The program aimed to boost canola awareness and knowledge among Canadian consumers while generating interest from internal and external stakeholders.

### The Big Idea:

Personify canola as an everyday Canadian that the world has fallen in love with.

The Campaign: Hello Canola!

#### **Tactical Execution Plan:**

An entirely new look and feel – a new logo, character, swag, social channel assets, and more! A digitally-led, fully integrated Hello Canola campaign with a 30-second ad featuring 'Canadian Canola' turning the heads of adoring fans at an airport was launched. We continued to amplify the canola story by:

- Introducing 'Canadian Canola' through a series of "streeter" videos with canola interacting with Canadians on various uses and facts.
- Developing a new web property, HelloCanola.ca, featuring content mapping back to the themes of "uniquely Canadian," "canola in our lives," and "canola's impact."
- Partnering with influencers in the spaces of nutrition, cooking, lifestyle and farming, to educate our audience on canola facts and uses.
- Creating a suite of "social shorts" that were boosted across Meta channels, featuring 'Canadian Canola' showcasing canola's various uses within and beyond the kitchen.
- ▶ Pitching agriculture trade, marketing strategy and local news reporters across the country, who were seeded with an "Every Day is Canola Day" booklet that showcased the various use-cases for canola to demonstrate how canola is all around them.



### Meet Canadian Canola



#### **Measurement and Evaluation**

Hello Canola generated more than 28M impressions with 1 in 10 Canadians surveyed recalling the campaign. Data confirmed we surpassed our goals, expanded Canadians' perspectives on canola and increased awareness of how it relates to their daily lives. Our brand survey showed a:

- 13-point increase in overall familiarity (51% to 64%)
- 26-point increase in familiarity of canola as animal feed (23% to 49%)
- 35-point increase in familiarity of canola as a fuel (20% to 55%)
- 25-point increase in positive opinion having learned canola is Canadian (29% to 54%)

#### **Channel results:**

- Connected TV: 800K Canadians at \$19.05 CPM (above industry standard of \$30 - \$45)
- Online Views: 2.5M Canadians at \$6.70 CPM (average is \$7 when targeting millennials) and 5.2K clicks at 0.13% CTR (above industry standard of 0.10%)
- Meta: Top-performing content had a \$1.11 CPM, below campaign average of \$2.25 (in line with broad-reach campaigns)
- Website: 19K website visits and more than 88K engagements
- Influencer partnership: 2.1M impressions, exceeding potential impressions based on our influencer partners' followings of 1.7M
- Email: 33% average open rate (above 21% industry standard) and 300+ new email subscribers

**CPM** = cost per mile (cost per thousand impressions)

### Direct feedback from canola community stakeholders

From start to finish, Hello Canola drove buy-in and excitement from internal and external shareholders, building momentum for Year 2.

- "Love the short video clips and development of the character throughout and also the interview with consumers and regular people as they were strolling through the streets."
- "The millennial in me has enjoyed the new 'influencers' that have come through my social media. I see the focus beyond food as a real win too."
- "As a farmer, I'm excited to see a new, refreshing, and engaging campaign to catch consumers' attention. I love the push for making canola as Canadian as maple syrup or Ryan Reynolds!
- "Having 'canola' as a person was perfect. She's so genuine and at ease when talking to consumers, and funny too! A very likeable personality."

#### hellocanola.ca



### **Advocacy**

SaskOilseeds represents farmers' best interests on key provincial and national policy initiatives. SaskCanola works with a strategic network of partners on various policy issues – including the Sask Crop Commissions, the Agricultural Producers Association of Saskatchewan, Alberta Canola, Manitoba Canola Growers, Canola Council of Canada, and the Canadian Canola Growers Association – to ensure farmers' voices are heard, and that their concerns are thoroughly considered and addressed.

### **Progress Made This Year...**

#### **Research Investments**

The primary reason SaskOilseeds exists is to invest in agricultural research. To support our mandate, we made budget submissions to the Federal government in the spring and fall, and had numerous interactions with MPs and government officials, to ensure that research partnerships and funding continue to be supported by industry and government.

#### Canada Grain Act

- August 1, 2023: The Canadian Grain Commission updated their Official Grain Grading Guide that provides clarity in assessing dockage for canola.
- The Canadian Grain Act remains under review. This past year, SaskOilseeds participated in the Grain Act Summit, and we continue to provide input to the federal government to ensure that farmers are treated fairly when it comes to grading and dockage, transparency on export sales reporting, and producer security.



20,000 Saskatchewan canola and flax farmers represented by SaskOilseeds



### Access to essential crop protection products is critical for productive farming

#### **Pest Control Products Act**

SaskOilseeds has engaged in several rounds of discussion with the federal government as they work to streamline their accreditation process and increase transparency. While these goals are laudable, we continue to emphasize that the Pest Management Regulatory Agency (PMRA) is under resourced and needs to have the necessary tools and personnel in place to be able to approve crop protection products in a timely manner. Our statement to government is that farmers need access to the products that allow them to farm most productively.

### **Bunge-Viterra Merger**

SaskOilseeds provided significant input into the proposed Bunge-Viterra merger, which needs to be approved in 28 jurisdictions. In consultation with government and industry partners, we indicated that farmers cannot be disadvantaged by either the merger itself or the mitigation efforts the government may ask of the companies.

### **Sustainable Agriculture Strategy**

Commodity groups' advocacy efforts combined with an analysis completed by the Federal Auditor General resulted in Agriculture and Agri-Food Canada pausing on their plan to reduce greenhouse gases from fertilizer. The phrase 'First, do no harm' is at the forefront of our position as we consult with AAFC on their Sustainable Agriculture Strategy. The world needs more food production and the perceived solution to one problem, climate change, cannot be at the expense of food security and inflation.



SaskFlax Director Patricia Lung participated in Grains Week



SaskOilseeds Senior Leadership met with the Japanese Ambassador to discuss the significance of research investments

### Canola Specific Advocacy

- As a result of ongoing dialogue SaskOilseeds has had with the Saskatchewan Ministry of Agriculture, the implications of clubroot and its status as a declared pest were examined and clubroot was officially deregulated as a pest in 2024.
- The Pest Control Act has been repealed and replaced with The Plant Health Act.

### Flax Specific Advocacy

- SaskOilseeds is working with industry to explore alternative uses for flax and flax fibre.
- We are also searching for solutions to concerns raised by buyers regarding levels of cadmium and hydrocyanic acid (HCN).

### **Policy Academics**

- SaskOilseeds is one of many organizations that co-funds policy academic Stuart Smyth, who holds the Agri-Food Innovation & Sustainability Enhancement Chair at the U of S.
- ➤ The Canadian Canola Growers Association funds policy academic Peter Slade, who holds the Agricultural Policy Chair at the U of S.





### Strategic Partnerships

SaskOilseeds partners with four key national organizations that support the Commissions' mandate, working in concert to advance the canola and flax industries.





### Canola Council of Canada

The CCC leads industry strategies in market access and trade; canola production and innovation, including national research coordination; and targeted promotion to export markets.

Alberta Canola, SaskOilseeds and Manitoba Canola together provide 50% of CCC's core funding. The other 50% comes from processors, exporters and life science companies.



Ed Shafer represents SaskOilseeds on the CCC Board.



### Canadian Canola Growers Association

The CCGA enhances competitiveness of canola growers by conducting in-depth policy analysis and advocating for policy changes that impact farm profitability. The CCGA is also an administrator of the Advanced Payments Program.

CCGA operates using funds generated from its core business operations. SaskOilseeds pays a modest annual membership fee.

> Dean Roberts, Jon Fehr, and Codie Nagy represent SaskOilseeds on the CCGA Board.



### Flax Council of Canada

FCC is a national organization which promotes Canadian flax and flax products for nutritional and industrial uses in domestic and international markets.

SaskFlax is a core-funder of the Flax Council of Canada.



### **Grain Growers of Canada**

GGC represents over 65,000 grain growers from coast to coast under one united voice to advocate and influence federal policy and take decisions that support the competitiveness and profitability of Canadian agriculture, especially in areas such as business risk management programs, sustainability, and transportation.

SaskOilseeds is a member of Grain Growers of Canada, contributing an annual membership fee of \$3,850.



Patricia Lung represents SaskOilseeds on the GGC Board.

# Saskatchewan Canola Development Commission Financial Statements

For the Year Ended July 31, 2024







#### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Saskatchewan Canola Development Commission

#### **Qualified Opinion**

We have audited the financial statements of Saskatchewan Canola Development Commission (the "Commission"), which comprise the statement of financial position as at July 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 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 Qualified Opinion**

The Commission collects a levy from Saskatchewan producers through buyers of canola, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of canola produced in Saskatchewan have collected and remitted the required levy to the Commission. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Commission. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for year ended July 31, 2024, current assets as at July 31, 2024 and July 31, 2023, and net assets at both the beginning and end of the July 31, 2024 and July 31, 2023 years. Our audit opinion on the financial statements for the year ended July 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 Commission 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 qualified audit 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 Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

(continues)



Independent Auditor's Report to the Board of Directors of Saskatchewan Canola Development Commission (continued)

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission'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 Commission'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 Commission 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.

Saskatoon, Saskatchewan October 30, 2024 **Chartered Professional Accountants** 

Lingard + Druger

### Statement of Financial Position As at July 31, 2024

		2024		2023
ASSETS				
CURRENT	\$	4 206 204	φ.	4 520 200
Cash Short-term investments (Note 3)	Þ	1,396,204 2,222,839	\$	1,538,299 1,788,874
Accounts receivable (Note 4)		1,579,861		1,514,733
Deposits and prepaid expenses		76,829		56,886
Deposits and prepara expenses		70,023		30,000
		5,275,733		4,898,792
INVESTMENTS (Note 3)		3,166,617		3,589,039
TANGIBLE CAPITAL ASSETS (Note 5)		356,212		9,000
	\$	8,798,562	\$	8,496,831
	Ψ	0,750,502	Ψ	0,430,031
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 6)	\$	1,475,768	\$	837,967
NET ASSETS				
INVESTED IN TANGIBLE CAPITAL ASSETS		356,212		9,000
INTERNALLY RESTRICTED (Note 8)		4,640,000		4,640,000
UNRESTRICTED		2,326,582		3,009,864
		•		
		7,322,794		7,658,864
	\$	8,798,562	\$	8,496,831

**COMMITMENTS** (Note 7)

APPROVED BY THE BOARD OF DIRECTORS

Director

### **Statement of Operations**

### For the Year Ended July 31, 2024

	Budget 2024	2024	2023
	2021	202-	2023
REVENUE			
Producer levy (Note 10)	0.500.000		7.050.000
Levy	\$ 8,500,000	\$ 7,462,047	\$ 7,258,228
Refunds	(722,500)	(571,622)	(601,223)
Net	7,777,500	6,890,425	6,657,005
Investment income	229,000	269,999	214,119
Project contributions	50,000	48,352	433,833
Management fees	205,000	177,000	127,619
	0.204.500	7 205 776	7 422 576
	8,261,500	7,385,776	7,432,576
EXPENSES			
Research and development (Note 11)	4,105,426	3,317,509	2,698,865
Canola Council of Canada (Note 12)	1,750,000	1,530,173	1,589,029
Market development	557,000	431,277	421,873
Grower relations	592,500	513,178	447,490
Policy	150,000	79,957	55,338
Governance	234,500	187,159	212,996
Salaries and benefits	1,049,750	1,104,135	992,126
General and administration	522,715	528,370	437,706
Amortization of tangible capital assets	5,000	30,088	9,170
	8,966,891	7,721,846	6,864,593
EXCESS (DEFICIENCY) OF REVENUE OVER			
EXPENSES FOR THE YEAR	\$ (705,391)	\$ (336,070)	\$ 567,983

### Statement of Changes in Net Assets For the Year Ended July 31, 2024

	tang	vested in lible capital assets	Internally restricted	Uı	nrestricted	2024	2023
NET ASSETS -							
BEGINNING OF YEAR	\$	9,000	\$ 4,640,000	\$	3,009,864	\$ 7,658,864	\$ 7,090,881
Excess (deficiency) of revenue over							
expenses		(30,088)	_		(305,982)	(336,070)	567,983
Tangible capital asset		(,,			(,,	(000,000)	,
additions		377,300	-		(377,300)	-	
NET ASSETS - END OF							
YEAR	\$	356,212	\$ 4,640,000	\$	2,326,582	\$ 7,322,794	\$ 7,658,864

### **Statement of Cash Flows**

### For the Year Ended July 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ (336,070)	\$ 567,983
Items not affecting cash:	20.000	0.470
Amortization of tangible capital assets Amortization of net premiums on investments	30,088 4,376	9,170 24,836
Amortization of het premiums on investments	4,370	24,030
	(301,606)	601,989
Changes in non-cash working capital:		
Accounts receivable	(65,128)	(860,674)
Deposits and prepaid expenses	(19,943)	(50,393)
Accounts payable and accrued liabilities	637,800	237,706
	552,729	(673,361)
Cash flow from (used by) operating activities	251,123	(71,372)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(377,300)	(6,045)
Purchase of investments	(1,800,000)	(2,250,000)
Proceeds from disposal of investments	1,784,083	3,195,559
Cash flow from (used by) investing activities	(393,217)	939,514
INCREASE (DECREASE) IN CASH	(142,094)	868,142
CASH - BEGINNING OF YEAR	1,538,299	670,157
CASH - END OF YEAR	\$ 1,396,205	\$ 1,538,299
CASH CONSISTS OF:		
Cash (bank overdraft)	\$ 650,494	\$ (50,358)
RBC Investment Savings Account	 745,711	 1,588,657
	\$ 1,396,205	\$ 1,538,299

### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 1. AUTHORITY

The Saskatchewan Canola Development Commission ("SaskCanola") is a non-profit organization which was established on February 6, 1991, pursuant to *The Saskatchewan Canola Development Plan Regulations* (the "Regulations"), under the authority of *The Agri-Food Act, 2004*. The mission of SaskCanola is to enhance canola producers' competitiveness and profitability through research, market development and communication programs. The activities of SaskCanola are funded primarily by a levy on Saskatchewan-produced canola, which is collected by buyers at the time of sale.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

#### Revenue recognition

Producer levy is recognized when canola is sold. Refunds are recognized based on management's best estimate of expected refunds.

The deferral method of accounting is used for any externally restricted contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. 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.

Project contributions are reimbursements of eligible costs incurred by SaskCanola for a research project. Project contributions are recognized as revenue when they are authorized and any eligibility criteria are met.

Investment income includes interest income on guaranteed investment certificates, notes and bonds measured at amortized cost. Interest income is recognized on a time proportion basis, and purchase premiums and discounts are amortized over the term of the investment.

#### Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and short-term investments with original maturities of three months or less.

#### Tangible capital assets

Tangible capital assets are carried at cost less accumulated amortization. Amortization is calculated on the straight-line basis at amounts sufficient to amortize the cost of tangible capital assets over their estimated useful lives as follows:

Computer equipment 3 years
Equipment and furniture 5 years
Leasehold improvements term of the lease

#### Grants, research and development projects

Expenses are recognized when grants and/or projects are approved and the recipient has met eligibility criteria. Funds advanced to recipients prior to meeting eligibility criteria are recorded as advances.

(continues)

### Notes to the Financial Statements For the Year Ended July 31, 2024

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

#### **Financial instruments**

SaskCanola initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at 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 the statements of operations in the period incurred.

Financial assets subsequently measured at amortized cost include cash, accounts receivable and investments. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. The fair value of the cash, accounts receivable, and accounts payable and accrued liabilities approximates their carrying value due to their short-term nature. When investments are purchased at a premium or a discount, the premium or discount is amortized over the investment's term using the straight-line method.

#### Contributions in-kind

Contributions in-kind are recorded at fair value for goods or services used in the normal course of operations that would otherwise have been purchased.

#### Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

Significant estimates include, but are not limited to, the valuation of accounts payable and accrued liabilities and the useful lives of tangible capital assets.

#### 3. INVESTMENTS

	Maturity	2024	Yield	2023
Short-term				
Guaranteed investment				
certificates	< 1 year	\$ 2,222,839	1.40% - 5.05%	\$ 1,788,874
Long-term Guaranteed investment certificates	2 - 6 years	3,166,617	2.00% - 5.30%	3,589,039
certificates	2 - 0 years	 3,100,017	2.00% - 3.30%	 3,369,039
		\$ 5,389,456		\$ 5,377,913

### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2024	2023
Levy receivables	\$ 1,110,148	\$ 760,577
Project contributions receivable	321,236	576,916
Management fee receivable	-	14,000
Interest receivable	148,477	163,240
	\$ 1,579,861	\$ 1,514,733

#### 5. TANGIBLE CAPITAL ASSETS

	=		cumulated ortization	N	2024 Net book value		2023 Net book value
Computer equipment Equipment and furniture Leasehold improvements	\$ 22,888 74,617 312,653	\$	17,074 29,486 7,386	\$	5,814 45,131 305,267	\$	9,000 - -
	\$ 410,158	\$	53,946	\$	356,212	\$	9,000

#### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities balance consists of the following:

	2024	2023
Trade payables Levy refunds payable Wages payable	\$ 875,396 568,994 31,378	\$ 156,227 612,679 69,061
	\$ 1,475,768	\$ 837,967

#### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 7. COMMITMENTS

SaskCanola is committed to funding research and development projects over several years to benefit the canola industry. Amounts committed to these projects in each of the next five years, assuming the terms of the contracts are fulfilled, are as follows:

Year ending July 31:	
2025	\$ 2,313,500
2026	1,332,052
2027	677,731
2028	106,276
2029	1,062
Thereafter	<u>-</u>

SaskCanola is committed under lease agreements for its current premises at 225 - 415 Wellman Crescent and for its previous premises at 212 - 111 Research Drive. The agreements expire on August 31, 2025 and December 31, 2034 respectively. The required minimum annual lease payments are as follows:

#### Year ending July 31:

2025	168,597
2026	101,185
2027	92,261
2028	92,261
2029	92,261
Thereafter	530,112

Other commitments include commitments for communication, market development expenses, and administration expenses. Amounts committed to in each of the next five years are as follows:

#### Year ending July 31:

an ending July J1.	
2025	359,520
2026	30,000
2027	20,000
2028	20,000
2029	10,000
Thereafter	-

#### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 8. INTERNALLY RESTRICTED NET ASSETS

SaskCanola has internally restricted net assets to maintain operations and meet commitments in the event of crop failure, and to pay any amounts due in the event of disestablishment of SaskCanola. Approval by the Board of Directors is required before any funds can be accessed.

	2024	2023
<b>Revenue stabilization reserve</b> Balance - beginning of year Addition in the year	\$ 1,600,000 -	\$ 1,600,000 -
Balance - end of year	1,600,000	1,600,000
Organizational closure reserve Balance - beginning of year Addition in the year	3,040,000	3,040,000
Balance - end of year	3,040,000	3,040,000
nternally restricted net assets	\$ 4,640,000	\$ 4,640,000

#### 9. BUDGET

The budget presented is unaudited. The SaskCanola Board of Directors approved the 2024 fiscal year budget on June 14, 2023.

#### 10. PRODUCER LEVY

Under the Regulations, each buyer of canola is required to remit to SaskCanola a levy deducted from any payments made to producers. Pursuant to board order #29/20, effective April 27, 2020, the levy was set at \$0.75 per tonne. Producers can request a refund for any levy paid from August 1 to July 31 by submitting a refund application by August 31.

#### 11. RESEARCH AND DEVELOPMENT PROJECTS

	2024 Budget	2024 Actual	2023 Actual
New projects and delayed Agronomic research Germplasm development Utilization research	\$ 1,900,000	\$ 1,404,072 44,000 -	\$ 293,889 240,062 67,563
Continuing projects Agronomic research Germplasm development Utilization research Other research	648,141 547,365 88,920 921,000	720,007 477,608 42,038 629,784	1,241,940 275,449 80,800 499,162
	\$ 4,105,426	\$ 3,317,509	\$ 2,698,865

## Notes to the Financial Statements For the Year Ended July 31, 2024

#### 12. CANOLA COUNCIL OF CANADA CORE FUNDING

SaskCanola participates in a voluntary industry levy program with the Canola Council of Canada ("CCC"). This levy provides CCC with its core funding to develop programs that benefit the canola industry.

	2024	2023
CCC Core Funding CCC Initiatives	\$ 1,261,890 268,283	\$ 1,324,408 264,621
	\$ 1,530,173	\$ 1,589,029

#### 13. FINANCIAL INSTRUMENTS

SaskCanola is exposed to various risks through its financial instruments.

#### Credit risk and credit concentration

SaskCanola is exposed to credit risk from potential non-payment of accounts receivable. As at July 31, 2024, five customers accounted for 62.3% (2023 – five customers, 67.4%) of accounts receivable, representing SaskCanola's maximum credit risk exposure. SaskCanola believes that there is no unusual exposure associated with the collection of these receivables. SaskCanola manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. Most of the accounts receivable were collected shortly after year-end.

#### 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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. SaskCanola is exposed to interest rate risk on its investments.

#### Liquidity risk

Liquidity risk is the risk that SaskCanola will encounter difficulty in meeting the obligations associated with its financial liabilities. SaskCanola is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and future commitments. SaskCanola manages its liquidity risk by investing in liquid assets such as cash and short-term investments.

#### 14. SIGNIFICANT EVENT

SaskCanola has agreed to amalgamate with Saskatchewan Flax Development Commission effective August 1, 2024. The amalgamated entity will be named Saskatchewan Oilseeds Development Commission. This amalgamation was approved by the registered producers at SaskCanola's annual general meeting held on January 9, 2024.

# Saskatchewan Flax Development Commission Financial Statements





#### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Saskatchewan Flax Development Commission have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Saskatchewan Flax Development Commission's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the board of directors' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the board of directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the board of directors by Lingard + Dreger LLP, in accordance with Canadian generally accepted auditing standards.

Management

Management

Saskatoon, SK November 06, 2024



#### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Saskatchewan Flax Development Commission

#### **Qualified Opinion**

We have audited the financial statements of Saskatchewan Flax Development Commission (the "Commission"), which comprise the statement of financial position as at July 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 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 Qualified Opinion**

The Commission collects a levy from Saskatchewan producers through buyers of flax, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of flax produced in Saskatchewan have collected and remitted the required levy to the Commission. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Commission. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for year ended July 31, 2024, current assets as at July 31, 2024 and July 31, 2023, and net assets at both the beginning and end of the July 31, 2024 and July 31, 2023 years. Our audit opinion on the financial statements for the year ended July 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 Commission 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 qualified audit 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 Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

(continues)



Independent Auditor's Report to the Board of Directors of Saskatchewan Flax Development Commission (continued)

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission'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 Commission'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 Commission 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.

Saskatoon, Saskatchewan November 6, 2024 **Chartered Professional Accountants** 

Lingard + Druger

## Statement of Financial Position As at July 31, 2024

	2024	2023
ASSETS		
CURRENT Cash Short-term investments (Note 3) Accounts receivable (Note 4) Prepaid expenses	\$ 191,347 273,532 71,398	\$ 440,055 96,839 80,892 2,298
	536,277	620,084
LONG-TERM INVESTMENTS (Note 3)	 498,724	371,691
	\$ 1,035,001	\$ 991,775
LIABILITIES		
Accounts payable and accrued liabilities (Note 5) Deferred contributions	\$ 21,359 5,500	\$ 42,229 -
	 26,859	42,229
NET ASSETS		
INTERNALLY RESTRICTED (Note 6)	350,000	700,000
UNRESTRICTED	 658,142	249,546
	1,008,142	949,546
	\$ 1,035,001	\$ 991,775

#### APPROVED BY THE BOARD OF DIRECTORS

Director

Director

#### **Statement of Operations**

	Budget (Note 9)			
	2024		2024	2023
REVENUE				
Producer levy				
Levy	\$ 450,000	\$	420,806	\$ 417,937
Refunds	(18,000)		(9,459)	(15,553)
Net	432,000		411,347	402,384
Grants	33,300		13,685	73,846
Interest income	10,000		28,107	24,286
Other	57.500		1.330	38,089
	37,300		1,550	30,003
	532,800		454,469	538,605
EXPENSES				
Operations and administration				
Amortization	_		_	1,157
Bad debts	_		611	108
Board of Directors	30.000		19,025	12,524
Consultants	120,000		141,750	169,439
General and administrative	120,000		5.879	12,358
Insurance	2.000		3,093	3,093
	,			
Levy administration	22,000		23,548 1,382	27,535
Meetings	-			19,964
Professional fees	12,000		11,980	8,096
Rent	-		-	7,803
Salaries and wages	-		-	28,570
	186,000		207,268	290,647
Grants and research projects (Schedule 1)	497,635		144,639	432,798
Communications (Schedule 1)	28,500		36,727	59,063
Market facilitation (Schedule 1)	70,000		2,239	3,262
Policy (Schedule 1)	5,000		5,000	
	787,135		395,873	785,770
EXCESS (DEFICIENCY) OF REVENUE OVER				
EXPENSES FROM OPERATIONS	(254,335)		58,596	(247,165)
OTHER ITEMS				
Loss on disposal of tangible capital assets	-		-	(3,572)
EXCESS (DEFICIENCY) OF REVENUE OVER				
EXPENSES FOR THE YEAR	\$ (254,335)	\$	58,596	\$ (250,737)

#### Statement of Changes in Net Assets For the Year Ended July 31, 2024

	Internally Restricted	Un	ırestricted	2024	2023
NET ASSETS - BEGINNING OF YEAR Excess (deficiency) of revenue over	\$ 700,000	\$	249,546	\$ 949,546	\$ 1,200,283
expenses Transfer from internally restricted net	-		58,596	58,596	(250,737)
assets (Note 6)	(350,000)		350,000	-	
NET ASSETS - END OF YEAR	\$ 350,000	\$	658,142	\$ 1,008,142	\$ 949,546

#### **Statement of Cash Flows**

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year Items not affecting cash:	\$ 58,596	\$ (250,737)
Amortization of tangible capital assets Loss on disposal of property, plant and equipment	- -	1,157 3,572
	58,596	(246,008)
Changes in non-cash working capital: Accounts receivable	9,494	(17.660)
Prepaid expenses	9,494 2,298	(17,669) (209)
Accounts payable and accrued liabilities  Deferred contributions	(20,869) 5,500	(14,457) -
	(3,577)	(32,335)
Cash flow from (used by) operating activities	55,019	(278,343)
INVESTING ACTIVITIES		
Proceeds on disposal of tangible capital assets	-	650
Purchases of investments	(400,000)	-
Reinvested interest Proceeds on disposal of investments	(8,296) 104,569	(16,668) 588,872
Cash flow from (used by) investing activities	(303,727)	572,854
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE		22.54
YEAR	(248,708)	294,511
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	440,055	145,544
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 191,347	\$ 440,055
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash	\$ 178,594	\$ 146,160
Investment savings account	12,753	293,895
	\$ 191,347	\$ 440,055

#### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 1. NATURE OF BUSINESS

Saskatchewan Flax Development Commission (the "Commission") was established by provincial legislation in April of 1996. The activities of the Commission are funded primarily by a levy on Saskatchewan produced flax, which is collected by buyers at the time of sale.

The mandate of the Commission is to promote and enhance flax production in Saskatchewan for maximum return to producers through research, market facilitation, leadership and communication in the industry.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

#### Revenue recognition

Producer levies are recognized as product is sold from the producers to the buyers in accordance with the *Saskatchewan Flax Development Plan Regulations*. Refunds are recognized using the accrual method based on actual requests submitted by producers for the crop year and are paid out subsequent to year-end by the Commission.

The Commission follows the deferral method of accounting for contributions, including grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions for expenses of the current period are recognized in the current period and restricted contributions for expenses of one or more future periods are deferred and recognized as revenue in the same period or periods as the related expenses are recognized.

Interest income is recognized as it is earned. Contributions of materials and services are recognized only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Commission's operations and would otherwise have been purchased.

#### Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and short-term investments with original maturities of three months or less.

#### Tangible capital assets

Tangible capital assets are recorded at cost and amortized over their expected useful lives using the straight-line method.

Office equipment 5 years
Computer hardware 5 years
Computer software 5 years

#### Grants and research projects

Expenses are recognized when grants and research projects have been approved and the recipient has met the eligibility criteria.

#### **Financial instruments**

The Commission initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at 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 the statements of operations in the period incurred.

(continues)

## Notes to the Financial Statements For the Year Ended July 31, 2024

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

Financial assets subsequently measured at amortized cost include cash, accounts receivable and investments. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. The fair value of the cash, accounts receivable, investments, and accounts payable and accrued liabilities approximates their carrying value due to their short-term nature.

#### Income taxes

The Commission qualifies as a tax exempt organization under section 149 of the *Income Tax Act*.

#### Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

Significant estimates include, but are not limited to, the valuation of accounts payable and accrued liabilities.

#### 3. INVESTMENTS

	Maturity	2024	Yield	2023
Short-term				
Term deposits	< 1 year	\$ 273,532	1.36% - 2.33%	\$ 96,839
Long-term				
Term deposits	2 - 6 years	\$ 498,724	1.65% - 4.25%	\$ 371,691
		\$ 772,256		\$ 468,530

#### 4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2024	2023
Levy receivables Other receivables Interest receivable	\$ 70,148 - 1,250	\$ 48,216 32,676 -
	\$ 71,398	\$ 80,892

#### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities balance consists of the following:

	2024		2023	
Trade payables Levy refunds payable	\$	11,900 9,459	\$ 27,350 14,879	
	\$	21,359	\$ 42,229	

#### 6. INTERNALLY RESTRICTED NET ASSETS

The Commission has internally restricted net assets of \$350,000 (2023 - \$700,000) to maintain operations and meet commitments in the event of crop failure, and to pay any amounts due in the event of disestablishment of the Commission. To better reflect the Commission's anticipated closure costs, during the current year the Board approved a \$350,000 reduction of this balance.

#### 7. COMMITMENTS

As at July 31, 2024, the Commission has committed to making the following payments for research projects:

2025 2026 2027	\$ 308,463 243,237 174,850
2028	 83,850
	\$ 810,400

#### 8. RELATED PARTY TRANSACTIONS

During the year ended July 31, 2024, members of the Commission's elected Board of Directors received payments for per diems and expenses of \$21,237 (2023 - \$32,488). All related party transactions described above are measured at the exchange amount, which is the consideration established and agreed to by the parties.

#### 9. BUDGET

The budgeted amounts have been approved by the Board of Directors, are unaudited and are provided for purposes of comparison.

#### 10. PRODUCER LEVY

Under the Regulations, each buyer of flax is required to remit to the Commission a levy deducted from any payments made to producers. Pursuant to board order No. 25/15, effective July 22, 2015, the levy was set at \$2.36 per tonne of flaxseed and \$0.50 per tonne of flax straw. Producers can request a refund for any levy paid from August 1 to July 31 by submitting a refund application by August 31.

#### Notes to the Financial Statements For the Year Ended July 31, 2024

#### 11. FINANCIAL INSTRUMENTS

The Commission is exposed to various risks through its financial instruments.

#### **Credit risk**

The Commission is exposed to credit risk from potential non-payment of accounts receivable. The Commission believes that there is no unusual exposure associated with the collection of these receivables. The Commission manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. Most of the accounts receivable were collected shortly after year-end.

#### Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in meeting the obligations associated with its financial liabilities. The Commission is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and future commitments. The Commission manages its liquidity risk by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.

#### 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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Commission is exposed to interest rate risk on its investments.

#### 12. SIGNIFICANT EVENT

The Commission has agreed to amalgamate with Saskatchewan Canola Development Commission effective August 1, 2024. The amalgamated entity will be named Saskatchewan Oilseeds Development Commission. This amalgamation was approved by the registered producers at the Commission's annual general meeting held on January 9, 2024.

#### 13. COMPARATIVE FIGURES

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

### Schedule of Expenses (Schedule 1)

		Budget (Note 9) 2024		2024		2023
Research and Extension Diverse Field Crop Cluster	\$	168,000	\$	36,170	\$	130,097
Accelerated Breeding Strategy for Flax	Ф	100,000	Þ	36,170	Ф	130,097
Improvement		28,457		28,457		25,315
CDC Core Breeding		200,000		22,750		-
Enhancing Genetic Gain for Yield, Biotic and		200,000		,,		
Abiotic Stress Tolerance in Flax		-		19,917		_
Accelerating Flax Straw Decomposition by				. , .		
Harnessing Natural Soil Microbes		17,500		17,500		-
Flax Variety Trials		32,700		11,370		11,425
Demonstrationg the Efficacy of New Foliar						
Fungicides in Flax		-		4,500		-
ADOPT Reduction of Cadmium		-		3,975		31,129
Microbe Decomposition of Flax Straw		-		-		23,333
Edge Trial Research		-		-		19,739
Genetic Control of Flax Fiber		-		-		49,336
Non-Traditional Nitrogen Fertilizer						
Management		-		-		9,250
Yield of Chickpea and Flax		- 2.454		-		6,967
Herbicide Resistant Kochia		3,451		-		6,494
Pre-Breeding for Reduced Step Strength		-		-		5,175
High Producing Dairy Cow Disease Survey		808		-		2,679 655
Crop Nutrient Removal Guidelines		-		-		41,419
Sask Variety Performance Group		_		-		26,660
Genomic and Pathogenic Characterization		32,344		-		43,125
U of S Multiple Sclerosis		14,375		-		-
	\$	497,635	\$	144,639	\$	432,798
Communications	<b>.</b>	42.500		24.064	<b>.</b>	24.604
Memberships and subscriptions	\$	12,500	\$	24,861	\$	21,684
Communications consultant Newsletter		2,500		5,372		5,000 5,335
Annual General Meeting		5,000 3,500		3,197		6,215
Other		5,000		2,922 375		738
Scholarships		5,000		-		10,000
Industry liaison		_		-		3,024
Election		_		_		1,817
Farm and Food Care SK		_		-		5,250
	\$	28,500	\$	36,727	\$	59,063
Market Development						
Flax resource development	\$	70,000	\$	-	\$	-
Other		-	<u> </u>	2,239	<u> </u>	3,262
	\$	70,000	\$	2,239	\$	3,262
	•	,	·	,	•	.,
Policy SaskCrops Government Relations	\$	5,000	\$	5,000	\$	_
Saskerobs Covernment Relations	Ф	5,000	47	3,000	Ф	-

## Stay In Touch

SaskOilseeds communicates information about the investments of levy dollars the Commission is making on behalf of its farmer membership electronically through two primary means: (1) e-newsletter and (2) texting. To receive one or both of these communications, we require your express consent.

SaskOilseeds' e-newsletter contains similar information to this report, but on a monthly basis.

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