



2022-2023 ANNUAL REPORT

Concluding Meeting

JANUARY 9, 2024

**Saskatoon
SASKATCHEWAN**



The Saskatchewan Winter Cereals Development Commission (SWCDC) was established in 2006 under *The Agri-Food Act, 2004*.

Effective August 1, 2023, the SWCDC amalgamated with the Saskatchewan Wheat Development Commission.

SaskWheat now has the mandate for winter cereals including winter wheat (*Triticum aestivum* L), fall rye (*Secale cereale* L) and winter triticale (Triticale x *Triticosecale* Wittmack).

Sask Wheat will represent winter cereal producers in the province of Saskatchewan.



BOARD of DIRECTORS 2022-2023

Brad White
Chair

Gull Lake, SK S0N 1A0

Barclay Meinert
Vice-Chair

Shaunavon, SK S0N 2M0

Wade Gray
Treasurer

Eyebrow, SK S0H 1L0

Dale Hicks

Outlook, SK S0L 2N0

Paul Thoroughgood

Moose Jaw, SK S6H 4R3

Executive Director
Carol Ann Patterson

AGENDA

**Saskatchewan Winter Cereals Development Commission
Presentation of Final Documents
January 9, 2024**

Presentation of the 2022-2023 Annual Report (Brad White)

Presentation of the 2022-2023 audited financial statements (Wade Gray)

Motions to be Presented

**Saskatchewan Winter Cereals Development Commission
Final Annual Business Meeting, January 9th, 2024
In Participation with Sask Wheat**

- That the Saskatchewan Winter Cereals Development Commission minutes of the January 9th, 2023 Annual Business Meeting be accepted as presented
- That the Saskatchewan Winter Cereals Development Commission financial statements as prepared and audited by Lingard & Dreger for the year ended July 31, 2023 be accepted as presented

2023 AGM MINUTES

Minutes of the 16th Annual General Meeting

Prairieland Park (Saskatoon, SK)

January 9, 2023

Call to Order: The 2023 Annual General Meeting was called to order by SWCDC Chair, Brad White at 11:50 am. Thirty-seven participated in the virtual/hybrid meeting.

Quorum was met: 12 registered winter cereals were present (11 in person, 1 virtually).

A. AMEND / APPROVE AGENDA

Motion AGM 2023-1

Be it moved that the proposed agenda for January 9th 2023 be accepted as presented.

Meinert/Hicks **CARRIED**

B. APPROVAL OF MINUTES

Motion AGM 2023-2

Be it moved that the minutes of the AGM meeting held January 12, 2022 be accepted as presented.

Meinert/Thoroughgood **CARRIED**

C. SWCDC Reports

Motion AGM 2023-3

Be it moved that the Report of the Chair and Executive Director be accepted as presented

Thoroughgood/Meinert **CARRIED**

D: AUDITED FINANCIAL STATEMENTS

Motion AGM 2023-4

Whereas the Directors of the SWCDC are in receipt of the 2021-2022 financial statements as prepared Lingard & Dreger for the year ending July 31, 2022 and,

Whereas these financial statements have been approved by the Board of Directors:

Be it moved that the 2021-2022 audited financial statements be received as submitted.

Hicks/Thoroughgood **CARRIED**

E: APPOINTMENT OF AUDITOR

Motion #AGM 2023-5

Whereas the SWCDC is required by regulation to appoint a Chartered Accountant to review and provide financial reports on the activities of the SWCDC and,

Whereas the board has approved Lingard & Dreger LLP, #200-880 Broadway Avenue, Saskatoon, Saskatchewan be appointed as the auditor for the SWCDC.

Be it moved that Lingard & Dreger LLP, #200-880 Broadway Ave, Saskatoon, Saskatchewan be appointed as the auditor for the SWCDC for the fiscal year ending July 31, 2023.

Gray/Hicks **CARRIED**

F: RESOLUTION

Motion # AGM 2023-6:

Resolution – Amalgamation of the Saskatchewan Wheat Development Commission and the Saskatchewan Winter Cereals Development Commission

WHEREAS the Saskatchewan Wheat Development Commission and the Saskatchewan Winter Cereals Development Commission are focussed on maximizing value for levy-payers (i.e. producers of spring wheat, durum and winter cereals in Saskatchewan);

AND WHEREAS levy-payer value would be increased through efficiencies and benefits that would be gained through closer coordination between our organisations;

AND WHEREAS amalgamation will provide the greatest efficiencies and benefits to the levy-payers of the Saskatchewan Wheat Development Commission and the Saskatchewan Winter Cereals Development Commission;

THEREFORE BE IT RESOLVED THAT the Saskatchewan Wheat Development Commission and the Saskatchewan Winter Cereals Development Commission amalgamate under the name Saskatchewan Wheat Development Commission, with the amalgamated Saskatchewan Wheat Development Commission to assume the mandate of the Saskatchewan Winter Cereals Development Commission for winter wheat, fall rye, and winter triticale, including research, advocacy, market development, grower relations, and communications activities in addition to the current mandate of the Saskatchewan Wheat Development Commission for spring wheat and durum.

Moats/Hicks

Discussion:

- Mover (L. Moats): strongly supports the motion to amalgamate; new beginning with lots of potential
- Seconder (D. Hicks): discussion waived

CARRIED

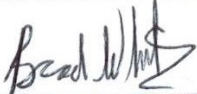
G. Business Arising

No business arising.

Chair Brad White thanked the many supporters of Winter Cereals

I: Adjourn

Motion AGM 2023-07: Wade Gray: 12:30pm

Signed: 
Brad White (Chair)

Date: February 07, 2023

Report of the Chair

January 9, 2023

Brad White, PAg

Chair

Gull Lake, Saskatchewan

Well, this is the final annual report for the Saskatchewan Winter Cereals Development Commission. After 3 years of meetings and consultations the process to amalgamate with Sask Wheat is finally complete! Winter Cereals producers stand to benefit from this amalgamation by being able to access Sask Wheat's much larger agronomy and research network, and a much higher percentage of checkoff should be able to be directed to research versus administration. 2023 brought an increase in winter cereal checkoff after dropping off in the last 2 years. Seeding conditions for fall crops improved a lot in eastern parts of the province this year but severe drought conditions still persist in SW Saskatchewan, reducing seeded acres for the 3rd year in a row.

Rye and Winter Wheat breeding programs continue at AAFC Lethbridge, as well as a winter wheat breeding program at the U of M, to which SWCDC has contributed. Unfortunately, the agronomy program under Brian Beres will be discontinued going forwards, a victim of the federal government's single minded obsession with carbon emissions-related research. I feel this is rather short sighted as winter cereals have potential to help prairie farmers adapt to climate change related droughts. Fortunately for producers, Brian's research in spring cereal agronomy will continue so he will still be available as a valuable resource to producers. Sask Wheat has been looking into continuing agronomy research in both winter wheat and rye through the provincial ADOPT program at AgriArm sites so keep an eye open for demonstrations at your local field days going forwards!

I would like to thank the board members Wade Gray, Barclay Meinert, Dale Hicks, and Paul Thoroughgood for the work that they have put into amalgamation meetings in the last 2 years, and especially Carol Ann Patterson, our Executive Director, for all the work she has put into the merger, as well as agreeing to stay on to the end of our mandate.

Good luck with the 2024 crop.

Management Report

January 9, 2024

Carol Ann Patterson, PhD, PAg
Executive Director

Over the past 17 years, Sask Winter Cereal's purpose has been to encourage, promote and assist in the development and production of winter cereals in Saskatchewan. The establishment of SWCDC in 2006 facilitated levy collection and has resulted in close to one million dollars of producer funds being invested in winter cereal research. This producer investment has leveraged more than \$10 million in collaborative funding towards the development of new winter wheat varieties, a better understanding of cold hardiness and the mechanisms for winter survival in winter wheat and fall rye, and the development of agronomic management practices to optimize inputs and increase producer profits.

Over the decades, winter cereals research has only been made possible through the financial support of key funders---Western Grains Research Foundation, Agriculture and Agri-Food Canada, National Sciences and Engineering Research Council of Canada, Saskatchewan Ministry of Agriculture and Ducks Unlimited; the provincial commodity commissions—Alberta Wheat Commission, Saskatchewan Wheat Commission, and Manitoba Crop Alliance —and industry partners—SeCan, FP Genetics, and Bayer Crop Science to name a few.

Passionate researchers drive innovation and for winter cereals this includes the valuable contributions of winter wheat breeders --Dr. Brian Fowler (University of Saskatchewan), Dr. Robert Graf (AAFC Lethbridge) and now Dr. Harwinder Sidhu (AAFC-Lethbridge) who have produced winter wheat varieties with higher yields, good disease packages and improved winter hardiness. Agronomic research has been led by Dr. Brian Beres (AAFC Lethbridge) and studies into the genomic mechanisms for winter cereal survival and injury avoidance have been the focus of researchers Dr. Fowler, Dr. Larry Gusta, Dr. Ravi Chibbar and Dr. Monica Baga, all from the University of Saskatchewan and Dr. Curt McCartney at the University of Manitoba. Dr. Jamie Larsen and Dr. Ragupathy have spearheaded the fall rye research at AAFC.

As the Saskatchewan Winter Cereals Development Commission closes its door, Sask Wheat is taking up the torch to continue the work needed to enable winter cereals to become a strong, profitable, environmentally sustainable crop for prairie producers.

It has been a privilege to work with the winter cereal growers on the Board of Directors and I thank them for their patience and attention to detail as the commission moved through this amalgamation process.

All the best to Sask Wheat and the expansion of their mandate to include winter cereals.



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INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE

To the Board of Directors of Saskatchewan Winter Cereals Development Commission:

We have undertaken a reasonable assurance engagement of Saskatchewan Winter Cereals Development Commission's compliance during the period August 1, 2022 to July 31, 2023, with the provisions of the following legislative and related authorities ("the Agreements") pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities.

- The Agri-Food Act, 2004
- The Winter Cereals Development Plan Regulations

Management's Responsibility

Management is responsible for Saskatchewan Winter Cereals Development Commission's compliance with the specified requirements of the Agreements. Management is also responsible for such internal control as management determines necessary to enable Saskatchewan Winter Cereals Development Commission's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Saskatchewan Winter Cereals Development Commission's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagements 3531, *Direct Engagements to Report on Compliance*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements.

The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

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**INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON
COMPLIANCE**

**To the Board of Directors of Saskatchewan Winter Cereals Development
Commission:**

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Our Independence and Quality Control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentially and professional behavior.

The firm applies the Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, Saskatchewan Winter Cereals Development Commission has complied with the specified requirements established in the Agreements during the period of August 1, 2022 to July 31, 2023, in all significant respects. We do not provide a legal opinion on Saskatchewan Winter Cereals Development Commission's compliance with the specified requirements.

**Saskatoon, Saskatchewan
November 14, 2023**

Lingard + Dreger

Chartered Professional Accountants





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Saskatchewan Winter Cereals Development Commission:

We have audited Saskatchewan Winter Cereals Development Commission's (the Commission) control as of July 31, 2023 to express an opinion as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- (2) To prepare reliable financial statements.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

Management's Responsibility

The Commission's management is responsible for maintaining effective control over the objectives stated above.

Auditors' Responsibility

Our responsibility is to express an opinion based on our audit as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- (2) To prepare reliable financial statements.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

We used the control framework developed by The Chartered Professional Accountants of Canada ("CPA Canada") to make our judgments about the effectiveness of the Commission's controls. We did not audit certain aspects of control concerning the effectiveness, economy and efficiency of certain management decision-making processes.

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INDEPENDENT AUDITORS' REPORT

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To the Board of Directors of Saskatchewan Winter Cereals Development Commission:

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CPA Canada defines controls as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CPA Canada Handbook - Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance as to effectiveness of the Commission's controls related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, and not absolute assurance, the objectives referred to above may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

Opinion

In our opinion, based on the limitations noted above, the Commission's control was effective, in all material respects, to meet the objectives stated above as of July 31, 2023 based on the CPA Canada criteria of control framework.

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of the Commission, which comprise the statement of financial position as at July 31, 2023, and the statements of operations, change in net assets, cash flows, and a summary of significant accounting policies and other explanatory information. We have issued our report dated November 14, 2023, which is the same date as the date of the report on the effectiveness of internal controls.

Lingard + Dreger

**Saskatoon, Saskatchewan
November 14, 2023**

Chartered Professional Account



SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION

Financial Statements

For the Year Ended July 31, 2023

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Saskatchewan Winter Cereals 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 Winter Cereals 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 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 directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the directors by Lingard + Dreger LLP, in accordance with Canadian accounting standards for not-for-profit organizations.

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Brad White
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Management

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Wade Gans
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Management

November 14, 2023



INDEPENDENT AUDITOR'S REPORT

To the Directors of Saskatchewan Winter Cereals Development Commission

Qualified Opinion

We have audited the financial statements of Saskatchewan Winter Cereals Development Commission (the Commission), which comprise the statement of financial position as at July 31, 2023, 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, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations

Basis for Qualified Opinion

The Commission collects a levy from Saskatchewan producers through buyers of winter cereal seed, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of winter cereal seed 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, deficiency of revenues over expenses and cash flows from operations for the year ended July 31, 2023, current assets as at July 31, 2023 and July 31, 2022, and net assets at both the beginning and end of the July 31, 2023 and July 31, 2022 years. The audit opinion on the financial statements for the year ended July 31, 2022 was modified accordingly because of the possible effects of this limitation in 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 Directors of Saskatchewan Winter Cereals 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.

Lingard + Dreger

Chartered Professional Accountants

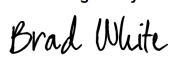
**Saskatoon, Saskatchewan
November 14, 2023**




SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Statement of Financial Position****As at July 31, 2023**

	2023	2022
ASSETS		
CURRENT		
Cash and equivalents	\$ 95,852	\$ 19,938
Short-term investments (Note 3)	-	55,413
Accounts receivable (Note 4)	8,008	2,062
Prepaid expenses	-	50,112
	\$ 103,860	\$ 127,525
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 27,143	\$ 16,460
NET ASSETS		
UNRESTRICTED	76,717	111,065
	\$ 103,860	\$ 127,525

APPROVED ON BEHALF OF THE BOARD

DocuSigned by:

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 Director

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 Director

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Statement of Operations****For the Year Ended July 31, 2023**

	Budget (Note 6) 2023	2023	2022
REVENUE			
Producer check-offs (Note 7)			
Fees	\$ 50,000	\$ 98,963	\$ 44,981
Refunds	(2,000)	(2,656)	(711)
Net check-off revenue	48,000	96,307	44,270
Variety trials	3,500	3,500	3,500
ADOPT funding	-	-	2,174
Winter Cereals Canada distribution	-	1,482	17,000
Interest income	193	21	188
	51,693	101,310	67,132
EXPENSES			
Advertising	1,000	-	750
Annual meeting	4,000	3,209	3,647
Bank charges	300	228	186
Board of directors	7,000	5,350	5,750
Dues and memberships	500	450	4,245
Insurance	850	1,470	807
Levy central fees	9,529	9,280	12,080
Management fees	31,500	39,375	31,500
Meals and entertainment	-	291	574
Newsletter	-	-	2,849
Professional fees	5,050	7,144	4,995
Research (Note 8)	12,000	62,777	62,471
Supplies	1,400	2,062	1,526
Telephone	100	-	34
Travel	-	3,189	2,982
Website	825	833	791
	74,054	135,658	135,187
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (22,361)	\$ (34,348)	\$ (68,055)

See notes to the financial statements

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Statement of Changes in Net Assets****For the Year Ended July 31, 2023**

	Unrestricted	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 111,065	\$ 111,065	\$ 179,120
Deficiency of revenue over expenses for the year	(34,348)	(34,348)	(68,055)
NET ASSETS - END OF YEAR	\$ 76,717	\$ 76,717	\$ 111,065

See notes to the financial statements

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Statement of Cash Flows****For the Year Ended July 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Deficiency of revenue over expenses for the year	\$ (34,348)	\$ (68,055)
Changes in non-cash working capital:		
Accounts receivable	(5,946)	2,115
Prepaid expenses	50,112	972
Accounts payable and accrued liabilities	10,684	(3,727)
	54,850	(640)
Cash flow from (used by) operating activities	20,502	(68,695)
INVESTING ACTIVITIES		
Disposal of investments	55,433	120,240
Purchase of investments	-	(55,240)
Reinvested interest	(21)	(188)
Cash flow from investing activities	55,412	64,812
INCREASE (DECREASE) IN CASH	75,914	(3,883)
CASH - BEGINNING OF YEAR	19,938	23,821
CASH - END OF YEAR	\$ 95,852	\$ 19,938
CASH CONSISTS OF:		
Cash and equivalents	\$ 95,852	\$ 19,938

See notes to the financial statements

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Notes to the Financial Statements****For the Year Ended July 31, 2023**

1. AUTHORITY

The Saskatchewan Winter Cereals Development Commission (“the Commission”) was established in 2006, pursuant to The Saskatchewan Winter Cereals Development Plan Regulations (“Regulations”), under the authority of The Agri-Food Act, 2004. The purpose of the Commission is to assist in growing the winter cereals industry through research, communications and market development programs. The activities of the Commission are funded primarily by a check-off fee charged on winter cereals sales from winter cereals production in Saskatchewan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of presentation**

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

Cash and cash equivalents

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

Revenue recognition

Producer check-off fees are recognized upon receipt of the Buyer’s report. Refunds are recognized when refund applications are received from producers and the requested refund has been agreed to check-off fee records.

The Commission follows the deferral method of accounting for contributions, which include government funding and grants. 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.

Interest, dividends, and other revenue are recognized as earned.

Levy central fees

Administration contract expense is a fee charged by the Agriculture Council of Saskatchewan Inc. (“ACS”), to the Commission for administering the check-off fee program. The fee includes a charge for time spent by ACS staff and a share of ACS’s overhead costs. The expense is recognized as the service is received.

Contributions in-kind

Contributions in-kind are recorded at fair value for goods or services only when a fair value can be reasonably estimated and when the goods or services are used in the normal course of operations and would otherwise have been purchased.

Income taxes

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

(continues)

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Notes to the Financial Statements****For the Year Ended July 31, 2023****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****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.

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

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook 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 reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates include, but are not limited to, the valuation of deferred contributions, and accruals for certain revenues and expenses.

3. SHORT-TERM INVESTMENTS

	Months to Maturity	2023	Yield	2022
Term deposits	\$	-		\$ 55,413
	\$	-		\$ 55,413

4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2023	2022
Levies receivable	\$ 6,525	\$ 2,062
Other	1,483	-
	\$ 8,008	\$ 2,062

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Notes to the Financial Statements****For the Year Ended July 31, 2023****5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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

	2023	2022
Levy refunds	\$ 2,656	\$ 711
Trade payables and accrued liabilities	24,487	15,749
	\$ 27,143	\$ 16,460

6. BUDGET

The Board approved the 2022/2023 fiscal year budget at the meeting on October 18, 2022. The budget figures included in the accompanying financial statements are unaudited.

7. PRODUCER CHECK-OFF FEES

Under the Regulations, each buyer of winter cereals is required to remit to the Commission a check-off fee of \$1.00 (2022 - \$1.00) per net metric tonne of winter cereals marketed upon final settlement to producers. Producers can request a refund of check-off fees paid from August 1 to July 31 of the following year by submitting a refund application not later than August 31 of that year.

8. RESEARCH EXPENSES

The research expense consisted of the following:

	2023	2022
ADOPT - "Seeding Date Demonstration in Winter Wheat"	\$ -	\$ 8,464
Agriculture and Agri-Food Canada - Wheat Cluster	48,501	46,747
Canadian Wheat Research Coalition - "Winter Wheat Breeding at the University of Manitoba"	10,000	5,000
South East Research Farm - Winter Wheat Regional Trials	1,512	1,260
Palliser - Winter Wheat Regional Trials	1,764	-
Other	1,000	1,000
	\$ 62,777	\$ 62,471

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Notes to the Financial Statements****For the Year Ended July 31, 2023**

9. FINANCIAL INSTRUMENTS

The Commission 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 Commission's risk exposure and concentration as of July 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Commission is exposed to credit risk from customers. In order to reduce its credit risk, the Commission reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Commission has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

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 fixed income investments.

10. SIGNIFICANT EVENT

The Commission has agreed to amalgamate with The Saskatchewan Wheat Development Commission effective August 1, 2023. This amalgamation was approved by the registered producers at the Commission's annual general meeting held on January 9, 2023.

SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION**Schedule of Payees
(Schedule 1)****For the Year Ended July 31, 2023**

	2023	2022
BOARD OF DIRECTORS		
Barclay Meinert	\$ 1,231	\$ 2,202
Brad White	2,114	-
Dale Hicks	1,094	1,375
John Burns	-	1,062
Wade Gray	1,077	2,228
Paul Thoroughgood	1,141	500
	6,657	7,367
PAYEES OVER \$2,500		
Agriculture Council of Saskatchewan Inc.	9,280	12,080
Canadian Wheat Research Coalition	58,501	51,747
Lingard + Dreger LLP	7,104	4,995
Pathfinders Research and Management Ltd.	40,875	32,700
South East Research Farm	-	9,724
	\$ 115,760	\$ 111,246

See notes to the financial statements