



2015/16 ANNUAL REPORT
Growing Producer Prosperity







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ABOUT SASKCANOLA

SaskCanola

(Saskatchewan Canola Development Commission) is a producer-elected and directed organization, established in 1991 and supported by some 26,000 levy-paying Saskatchewan canola producers

OUR VISION

growing producer prosperity

OUR MISSION

to provide value to canola producers through research, advocacy, and market development



STATE OF THE INDUSTRY

SaskCanola Chairman: Terry Youzwa

As I write this, Mother Nature has been giving many of us a very challenging harvest. At times of adversity like this, we must focus on where we want to go and look ahead.

At SaskCanola, our vision of “Growing Producer Prosperity” is about more than canola production, it is about the wealth and health of our producers. We recognize that canola has done well and been the largest cash revenue generating crop in the country for many years. We also know that we need other crops to generate a more positive return, therefore our vision is not only about canola, but about the prosperity of farmers.

We typically invest 35-40% of our revenue stream in research, to improve production and reduce risk of loss. We invest in utilization projects to further research in meal and oil to help understand and ensure value-added products. We often partner with our other provincial producer groups and work with the Canola Council of Canada (CCC) to ensure that we are focused on the best priorities.

When trade irritants like blackleg and dockage in China surface and increase risk and costs of our export business with our partners, we steadfastly rely on CCC. The relationships obtained through years of collaboration provide the opportunity for negotiations to continue and return functionality to the marketplace.

We work toward the broader vision of canola and its 2025 target of 52b/ac across western Canada. As a past chairman of CCC, I must state that it isn't about producing more for the sake of producing more. There are three pillars in the strategy: market development, stable open trade, and production. Each of the pillars must function and improve in order for the goal to be achieved.

Directors Doyle Wiebe and Lane Stockbrugger participated with the province in trade missions to India and Mexico where we promoted healthy Saskatchewan products. We are all ambassadors for canola and we are all needed to carry this message forward at home and abroad.

We also work with our other provincial canola partners and the Canadian Canola Growers Association to protect farmers' interests on issues that affect our business like transportation, safety nets, and more recently, carbon taxes.

In January of 2016, we launched a documentary that we started working on in June of 2014. We are extremely proud of License to Farm, a call to action for farmers to speak up and explain how they practice good stewardship. Public trust is a major issue and this film is our way of contributing to positive dialogue. Thanks again to the SaskCanola team and our partners for their diligence on this project; and special thanks to the Saskatchewan Ministry of Agriculture for their support and partnership on this project.

In April, SaskCanola celebrated its 25th anniversary as an organization. Quite an accomplishment to think we've been working on behalf of Saskatchewan canola farmers since 1991!

In May, I was honored to attend the Saskatchewan Order of Merit award ceremony and witness a very special presentation to a great leader of our industry, Dr. Keith Downey. He's been instrumental in helping canola obtain national and international recognition.

In closing, I'd like to thank fellow Director, Brett Halstead, for his years of service to the canola industry. In January of this year I will also be terming out as a SaskCanola Director. It has been a privilege to represent farmers in various capacities during my canola tenure. I am proud to have been a part of this exciting industry and look forward to canola continuing to exceed our expectations.



STRATEGIC PRIORITIES



RESEARCH

Goal: Focus research expenditures on fostering innovation, decreasing production risk, and increasing sustainability resulting in enhanced producer profitability



PRODUCER ENGAGEMENT

Goal: Engage in dialogue with Saskatchewan canola producers to strengthen relationships and gain understanding so that we can best address their challenges



ADVOCACY

Goals: Provide a positive influence on legislation and policy to improve the landscape for producers

Inform and influence consumers in order to improve their perception of canola and agriculture



CANOLA PROMOTION

Goal: Promote the value of canola and its products leading to increased demand and enhanced customer awareness

RESEARCH REPORT

Focus research expenditures on fostering innovation, decreasing production risk, and increasing sustainability resulting in enhanced producer profitability

Since 1991, SaskCanola has funded 341 research projects related to agronomy, disease, insect and weed management, utilization of canola oil and meal, and pre-breeding tools. Approximately 35 to 40% of our annual budget is invested in research to benefit Saskatchewan canola producers.

In 2015/16, SaskCanola made research commitments of \$1,341,820 to fund 18 canola-related research projects and programs. These research and development efforts, ranging in time frames from one to five years, have a collective total budget of \$4,996,019. In addition to these newly initiated research projects, SaskCanola has 74 active research projects in progress.

One of our largest research programs continues to be carried out over a five year period under the Growing Forward 2 initiative. This initiative includes multiple projects currently underway in the areas of agronomy, disease, and weed resistance management, canola meal improvement studies, and nutritional studies of canola oil. These projects have large funding commitments from the Government of Canada and members of the canola industry value chain.

The Canola Digest Science Special publication was mailed to all Saskatchewan canola producers in November 2015 and focused on grower funded research results.



In partnership with the Alberta Canola Producers Commission, through Growing Forward 2, SaskCanola is proud to continue to lead an Agri-Science Project titled *Canola Disease Management Tools for the Prairies – Blackleg and Sclerotinia*. Through this research project, a team of researchers from Canadian Universities and Agriculture Canada have been working towards finding solutions for blackleg and sclerotinia; including development of a blackleg yield loss model, so farmers can clearly understand potential yield loss from blackleg infection. Work is underway to identify the specific blackleg resistance genes in commercial cultivars, while at the same time determining the races of blackleg present in farmers' fields. In addition, researchers are working towards finding new sources of blackleg resistance. All of this research combined will go a long way towards helping farmers manage blackleg on their farm so that they can continue to grow profitable canola crops.

Research project reports are continually posted to the SaskCanola website (saskcanola.com/research/projectreports.php) and agronomic project results, funded through the Canola Agronomic Research Projects program, are available on the Canola Research Hub (research.canolacouncil.org).

In addition to our agronomy focused research investments, SaskCanola has committed \$550,000 towards the expansion of the Food Centre through the construction of the new Agri-Food Innovation Centre. The centre, to be built in Saskatoon, will play an essential role in the growth of Saskatchewan's agri-food industry with direct impact to Saskatchewan's agriculture, economy, and labour force.

**RESEARCH
2015/16**

EVERY
\$1.00
OF SASKCANOLA COMMITMENT



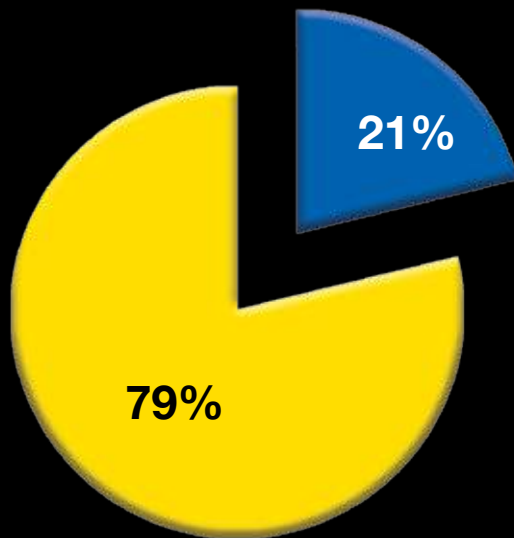
WAS MATCHED BY
\$3.72
OF PARTNER FUNDING

	PROJECT TITLE	RESEARCHER /ORGANIZATION	TOTAL SASKCANOLA FUNDING	TOTAL PROJECT BUDGET	FUNDING PARTNERS
1	Enhancing the Durability of Clubroot Resistance with Multiple Resistance Genes	Peng (Song) AAFC	\$66,700	\$236,000	WGRF
2	Improving Weed Management for Saskatchewan Growers	Willenborg UofS	\$43,997	\$407,540	ADF, SaskFlax, SWDC
3	Impact of Drought and Heat During Flowering on Canola Yield	Soolanayakanahally AAFC	\$191,351	\$717,177	ADF
4	Crop Response to Foliar Applied Phosphorus Fertilizer	Schoenau UofS	\$20,010	\$75,100	ADF, SPG, SWDC
5	Enhanced Saskatchewan Soil Data for Sustainable Land Management	Bedard-Haughn UofS	\$57,768	\$219,933	ADF, SPG
6	Toxicopathological Determination of Safe Dose Ranges of Neonicotinoids for Honey Bee Colonies	Simko UofS	\$75,900	\$370,499	WGRF
7	Comparative Genomics of Apomictic Plants: Advancing Novel Tools for Niche Breeding	Sharbel UofS	\$47,150	\$530,000	ADF, GIFS
8	Identifying the Mechanisms Responsible for Greater Than Expected Residue-Induced N2O Emissions from Canola and Flax	Farrell UofS	\$64,556	\$224,545	ADF
9	Enhancing Canola Production with Improved Phosphorus Fertilizer Management	Brandt NARF	\$99,125	\$99,125	
10	Assessing the influence of base germination temperature and chemical desiccants on the recruitment biology of cleavers (<i>Galium spurium</i> L.)	Willenborg (Tozzi) UofS	\$136,400	\$136,400	
11	Evaluation of sap nitrate for in-season assessment of crop N status	Tomasiewicz AAFC	\$14,900	\$117,900	AAFC
12	Characterizing Turbulent Spray Deposition from Self-Propelled Sprayers	Wolf Agrimetrix	\$97,500	\$270,000	ACPC
13	Enhancing the Beneficial Root Microbiome in Canola	Hamel AAFC	\$66,633	\$599,400	ACPC, MCGA, NSERC
14	Enhanced modelling of swede midge population dynamics in North America	Hallett UofG	\$33,750	\$67,500	ACPC
15	Surveillance networks for beneficial insects: can natural habitats serve as insect reservoirs, and do they contribute to canola yield?	Manson UofA	\$79,200	\$325,100	ACPC, MCGA

	PROJECT TITLE	RESEARCHER /ORGANIZATION	TOTAL SASKCANOLA FUNDING	TOTAL PROJECT BUDGET	FUNDING PARTNERS
16	Canola Response and Minimizing N Losses in Two-pass Seeding-fertilization Systems with Varying Placement Methods in Manitoba	Tenuta UofM	\$18,000	\$36,000	MCGA
17	Validation of lygus and other insect pest thresholds in commercial farms throughout Alberta	Carcamo AAFC	\$213,480	\$533,000	ACPC
18	Determining best practices for summer storage of canola (continuation)	Agnew PAMI	\$15,400	\$30,800	MCGA
TOTAL COMMITMENTS			\$1,341,820	\$4,996,019	

AAFC - Agriculture & Agri-Food Canada
 ACPC - Alberta Canola Producers Commission
 ADF - Agriculture Development Fund
 GIFS - Global Institute for Food Security
 MCGA - Manitoba Canola Growers Association
 NARF - Northeast Agriculture Research Foundation
 NSERC - Natural Sciences and Engineering Research Council of Canada

PAMI - Prairie Agricultural Machinery Institute
 SPG - Saskatchewan Pulse Growers
 SWDC - Saskatchewan Wheat Development Commission
 UofG - University of Guelph
 UofM - University of Manitoba
 UofS - University of Saskatchewan
 WGRF - Western Grains Research Foundation



SaskCanola Research Expenses 2015/2016

- SaskCanola Investment
- Leverage

SaskCanola Investment	\$1,341,820
Leverage	\$4,996,019
Matching Rate	3.72

PRODUCER ENGAGEMENT REPORT

Engage in dialogue with Saskatchewan canola producers to strengthen relationships and gain understanding so that we can best address their challenges



Canola Digest

SaskCanola is a partner in the award winning Canola Digest magazine produced by the CCC. Four issues are published in January, March, September, and November of each year. Every issue includes two Saskatchewan specific pages and copies of the publication are mailed to all Saskatchewan canola producers.

Electronic Newsletter

SaskCanola sends at least one update per month, sometimes two, including all of the latest canola news and information to a subscriber list of almost 1,300 and growing. Sign up at saskcanola.com/news/subscribe.php

Events

November 2015:

- A partnership with the Saskatchewan Ministry of Agriculture, SaskFlax, and the Saskatchewan Mustard Development Commission was initiated to host regional meetings across the province. Saskatchewan Oilseed Producer Meetings were successfully held in Kenosee, Humboldt, North Battleford, Rosetown, and Swift Current.
- Again, we sponsored the Grain Expo during the Canadian Western Agribition. Canola Council of Canada Agronomy Specialist, Nicole Philp, and Oilseed Specialist, Barbara Ziesman, were featured on the agenda. SaskCanola Board and Staff had the opportunity to interact with canola farmers during the trade show portion of the event.

January 2016:

- CropSphere is the Saskatchewan crop industry's premier conference for producers to learn about the newest innovations and market intelligence relating to the six primary crops in the province. The third annual conference hosted over 700 delegates in Saskatoon at TCU Place and announced a move to Prairieland Park for 2017 to integrate more with the Crop Production Show event.
- The Crop Production Show continues to be a great opportunity to showcase SaskCanola and the Saskatchewan CCC agronomists, where over 20,000 farmers gathered in Saskatoon during Crop Production Week.



SaskCanola Director, Bernie McClean, networking with another farmer at CropSphere 2016



SaskCanola Director, Lane Stockbrugger, networking with a few conference delegates at CropSphere 2016

June 2016:

- We hosted a special pancake breakfast event at Canada's Farm Progress Show in Regina to launch the nominations period for our biannual election; over 150 producers attended.



SaskCanola Board & Staff at the pancake breakfast event at Canada's Farm Progress Show



SaskCanola Staff – Janice Tranberg, David Marsh, Tracy Jones, and Ellen Grueter – at the pancake breakfast event at Canada's Farm Progress Show

July 2016:

- Saskatchewan's newest outdoor tradeshow event, Ag in Motion, saw SaskCanola host a booth, along with sponsoring some sessions in the knowledge tent.
- A strong supporter of the Saskatchewan Ministry of Agriculture's annual Crop Diagnostic School, SaskCanola and CCC partnered on hosting a networking event with researchers and extension specialists to explore new ways to reach Saskatchewan canola producers.



SaskCanola Staff and CCC Agronomy Team at the canolaPALOOZA barbecue



SaskCanola Directors Wayne Truman, Brett Halstead, and Bernie McClean, at the canolaPALOOZA barbecue

Radio

SaskCanola hosts both weekly and monthly Canola Connection radio programs that air across the province; podcasts are also posted to the SaskCanola website (saskcanola.com/resource/podcasts.php). In addition, SaskCanola ran both harvest and seeding radio campaigns with applicable, timely messaging for producers. A campaign promoting our AGM and CropSphere rounded out our radio presence.

Scholarships

SaskCanola continues to support the growth and future success of the canola industry through scholarships, including graduate fellowships and undergraduate scholarships, at the University of Saskatchewan (U of S).

The prestigious Dr. Rimmer Award for Excellence in Graduate Research offers \$18,000 per year for a maximum of two years to students entering or continuing studies in a M.Sc. or Ph. D. program at the U of S whose thesis projects deal with an important aspect of either the development or utilization of canola. Four deserving recipients were chosen based on their academic achievement and thesis projects' suitability to SaskCanola:

- Adriane Good studying *Establishing canola meal as a protein supplement for feedlot cattle*
- Asmita Poudel studying *The development of nano emulsions of phytosterols and vitamin E extracted from canola waste stream*
- Chuyuan Zhang studying *The effect of feeding yeast-fermented canola meal on the nutrient digestibility and growth performance of rainbow trout and Nile tilapia*
- Miles Buchwaldt studying *The transcriptome analysis to identify genes for tolerance of abiotic stress in B. napus*

Recipients of the Dr. Keith Downey Undergraduate Scholarship were:

- Andrew Reddekopp – 3rd year, BSA in Agronomy
- Jacqueline Toews – 3rd year, BSA in Crop Science
- Sara Doerksen – 4th year, BSA in Agronomy
- Tor Lokken – 4th year, BSc RRM in Resource Science

Sponsorships

SaskCanola, along with the Alberta Canola Producers Commission and the Manitoba Canola Growers Association, made farm safety a priority through a long-term investment in a grain entrapment demonstration unit under development by the Canadian Agricultural Safety Association. Once production is complete, it will be showcased at tradeshow events across the Prairies.

SaskCanola also sponsored a number of other events, including:

- » Top Crop 2016 Herbicide Resistance Summit
- » Saskatchewan Soil Conservation Association Annual Conference
- » Connect Conference
- » Soils & Crops Workshop
- » Canola Industry Meeting & Canola Innovation Day
- » National Biotech Week
- » Sask Young Ag Entrepreneurs Annual Conference
- » Lloyd Dosedall Symposium
- » Cropportunities
- » agPROVE Forum
- » Canadian Farm Writers Conference
- » Saskatchewan Women in Ag Calendar
- » Ag Hackathon



Website

The saskcanola.com website provides Saskatchewan canola producers with information and resources to enhance their canola production.

ADVOCACY REPORT

- (A) Provide a positive influence on legislation and policy to improve the landscape for producers
- (B) Inform and influence consumers in order to improve their perception of canola and agriculture



Government Relations

Met with:

- Parliamentary Secretary for Finance in January to provide input on key questions regarding the 2016 budget
- Minister of Agriculture and Agri-Food, Lawrence MacAulay, at a roundtable held in Saskatoon
- Minister Stewart and Frederic Seppey, Director General, Trade Agreements and Negotiations, Agriculture and Agri-Food Canada, to discuss TPP, what it means for agriculture, the current status, and next steps

Presented at:

- Senate Standing Committee on Agriculture and Forestry
- Pacific North West Economic Region Conference

Public Lectures

Sponsored:

- “Agriculture in a Growing World” Dr. Patrick Moore lecture at the U of S on October 8, 2015
- “Know GMO: An Uplifting Discussion About Food” Rob Saik lecture at the U of S on November 4, 2015

Policy Forums

We held two informal focus groups with farmers from across the province to discuss policy issues impacting their farms. The purpose was to provide us with a broader perspective to develop feedback as we participate in the new Policy Framework discussion with both the federal and provincial governments as Growing Forward 2 comes to a close. Producers in attendance supported higher level industry initiatives such as research, market development and trade, gaining public trust, and the importance of sustainable stewardship practices. The main concern raised by farmers continues to be the importance of viable risk management programs that help farmers manage weather and market risks that are unpredictable, volatile, and completely outside of their management control.

Team Laycock

A three year partnership between Saskatchewan Curling Team Laycock and SaskCanola was initiated in June of 2015. This partnership aims to maintain and increase canola awareness across Canada. Team Laycock's apparel is adorned with the canola brand and the athletes, four Saskatchewan farm boys, talk with their fans about canola production along with canola oil's health and nutritional benefits.



Saskatchewan Curling Team Laycock

Government Relations Issues Management

A number of provincial issues continue to arise that impact farmers in general, but may not be a specific canola producer concern. The SaskCanola Board agreed in these cases to support like-minded organizations who take the lead on impacting positive change on farmers' behalf - such as rural roads, infrastructure, drainage, farmland security, environmental sustainability, and climate change.

A joint letter from the provincial canola organizations was sent to the Western Grain Elevator Association (WGEA) outlining producers' point of view and asked WGEA and its members to be transparent and communicate their plans in regards to not accepting quinclorac treated canola.

Component pricing was raised as a potential market opportunity for canola producers, so we hired a firm to evaluate aspects of pricing canola based on the oil content. The study found that the current marketing system is the most efficient and provides the best return to farmers at this time.

We continue to provide feedback to the federal government on national issues such as grain transportation, environmental sustainability, market access, and trade, in collaboration with the two national canola organizations.

LICENSE TO FARM

BUILDING TRUST ONE ACRE AT A TIME



SaskCanola felt compelled to develop the documentary *License to Farm* as a strong resource for farmers, encouraging them to speak up about their farming operations to protect their social license. After a year and a half in the making, *License to Farm* launched in January of 2016 during Crop Production Week, and the response from viewers was overwhelmingly positive. Media inquiries and speaking engagement invitations started flooding in and saw SaskCanola's Executive Director, Janice Tranberg, present on social license at the Canadian Produce Marketing Association

Conference, the Pacific Northwest Economic Region Conference, and the Canadian Culinary Federation of Canada Conference, to name a few. The microsite www.licensetofarm.com hosts a link to the film on YouTube, along with resources to support a screening of the film, including a question and answer guide. The film continues to give SaskCanola a platform to address the issue of public trust and our hope is that its success will encourage other agriculture organizations to fund and develop other initiatives that support farmers' social license. **Don't let your silence take away your license to farm!**



FILM'S IMPACT



Viewed over 80,000 times since its launch in January of 2016



Viewed in over 165 countries



Garnered over 2 million social media impressions



Recipient of 7 Canadian Agri-Marketing Association awards

ABOUT LICENSE TO FARM



Canada is a world leader in agriculture and food production. But farming doesn't look the same as it did a hundred, fifty, or even ten years ago. Farmers are producing more with less, using more efficient and sustainable practices than ever before. So why do consumers carry so much doubt around the way their food is produced? When did fear begin to trump science and fact when it comes to food production – and

how do we earn back that valuable consumer confidence? It is crucial for agriculture – particularly farmers – to take a seat at the table when it comes to conversations about food. Farmers can play a crucial role by engaging in meaningful conversations, opening the doors to their livelihood and building trust with their communities. This powerful documentary explores the truth behind common misconceptions of agriculture production in Canada, while empowering farmers to stand up and advocate for their social license to farm.



Canola Promotion Report

Promote the value of canola and its products leading to increased demand and enhanced customer awareness

International Trade Missions

SaskCanola participated in two international trade missions to Mexico and India, organized and lead by our provincial partners with the Saskatchewan Ministry of Agriculture and Saskatchewan Trade and Export Partnership.



Mexico City, Queretaro,
Monterrey, Guadalajara
– January 2016



New Delhi,
Jaipur, Mumbai
– February 2016

New Market Development Plan & Coordinator

We worked with an advisor to analyze our existing market development initiatives, then used the findings to guide the formation of a fresh strategy and new market development plan. Along with this, a new position was created and Raeanne Van Beek was hired as SaskCanola's Marketing & Events Coordinator.

Partnerships

Agriculture in the Classroom Saskatchewan

- Superhero Sponsor

Canada Agriculture and Food Museum

- Canola: A Canadian Success Story

Canadian Culinary Federation (CCFCC)

- National Conference Bronze Sponsor
- Premiere Sponsorship of Chef Chris Corkum at the World Chef's Congress

Canadian Diabetes Association

- No Sugar Tonight Gala Sponsor
- Title Sponsor of Regina National Expo
- Travelling Diabetes Resource Program Sponsor

Farm & Food Care Saskatchewan

- Principal Member
- Food Influencer Program Sponsor



Chef Chris Corkum cooking demo featuring Whole Pan Roasted Lake Diefenbaker Trout



SaskCanola booth at CDA Regina National Expo

Sponsorships

Agriculture in the City

- Sustainer Sponsor

Emerging Technologies for Global Food Security Conference

- Titanium Partner

Soroptimist PJs and Pearls Event

- Pearl Earrings Sponsor

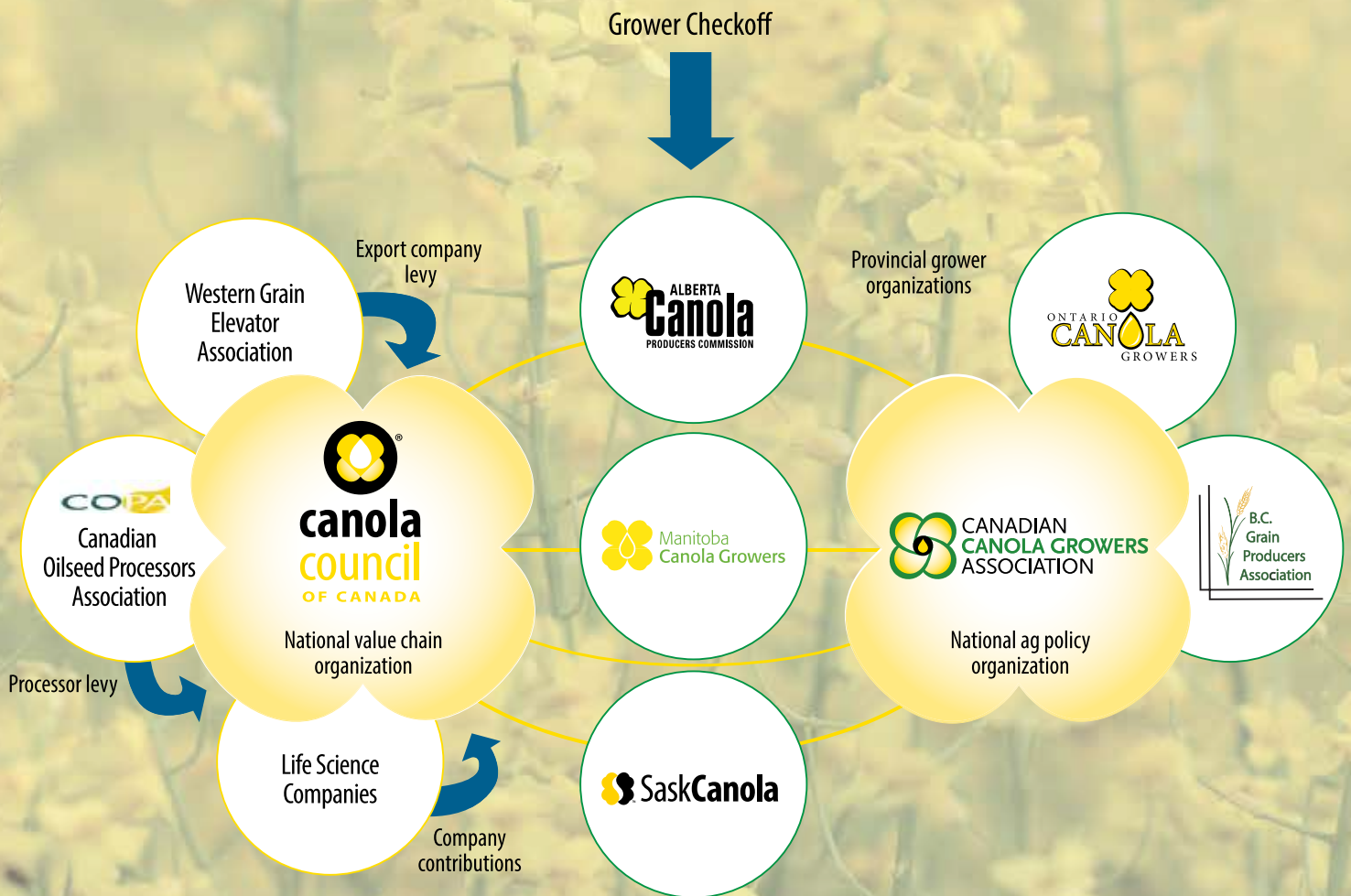
The Royal Agricultural Winter Fair

- Presenting Sponsor of Health Professionals Day



Raeanne Van Beek promoting canola at the CCFCC Conference with several members of Junior Culinary Team Canada

Canola Value Chain



The three Prairie canola grower organizations are core funders of the Canola Council of Canada.



CANOLA COUNCIL of CANADA REPORT

CCC Director on behalf of SaskCanola: Charlene Bradley



canolacouncil
OF CANADA

MISSION: Our mission is to advance the growth and profitability of the canola

industry based on innovation, sustainability, resilience and the creation of superior value for a healthier world. Our goal is to ensure the industry's continued growth, demand, stability and success – achieving 52 bu/acre and 26 MMT by the year 2025.

Through the Canola Council of Canada (CCC), SaskCanola works with the entire value chain to achieve the goals of the industry's strategic plan, Keep it Coming 2025. As your representative on the CCC board, I am pleased to report on our progress.

The first priority of Keep it Coming 2025 is to sustainably and profitably reach an average yield of 52 bu/acre within the next decade. These achievements in 2015/16 will help us get there:

- A new Innovation Strategy developed by CCC is focusing all partners on research priorities with the greatest potential return for the industry.
- The \$1.9 million investment by canola growers (from ACPC, SaskCanola, and MCGA) and the federal government through Growing Forward 2 (GF2) announced in February 2016 is helping to move agronomic research forward. To keep the momentum going, CCC is putting considerable effort into securing GF3 support for research projects.
- Growers are becoming active participants in agronomic research through CCC's Canola Discovery Forum and Ultimate Canola Challenge. The vision is for growers and scientists to lead the way to innovation together, and for every canola field to one day become part of the research effort, supplementing the data collected on demonstration plots.
- CCC agronomists reached 6,900 growers and industry members through more than 300 meetings and presentations.
- Growers and industry agronomists made more extensive use of online resources like the Canola Encyclopedia (with 27% more visits) and Canola Watch (with 10% more subscribers).
- The Canola Research Hub continued to expand, and was cited by the Agricultural Institute of Canada as an example of best practices in technology transfer.

As these advances help us increase production, CCC is continuing to work on the strategic plan's second priority, which is to boost canola's value and build strong demand in international markets. One of the most impactful promotions in 2015/16 was a media event with the Chinese Nutritional Society that resulted in 500 million media impressions.

CCC's marketing activities are designed to increase awareness and understanding, driving up the value of our products, not just sales volumes. Our experience with canola meal has shown us how successful this approach can be. Through research and education, CCC is replacing outdated notions about canola meal with an understanding of its proven advantages as a feed ingredient, particularly for dairy production. As a result, the market value of canola meal has been steadily rising, adding another important dimension to the value of the crop we grow.

To make the most of strong market demand, we also need stable trading relationships, which is the final priority area of Keep it Coming 2025. In this respect, 2015/16 was a very challenging year. After China announced plans to impose a 1% dockage restriction on canola, CCC invested hundreds of hours in intensive negotiations to prevent the imposition of a costly and unnecessary trade barrier, successfully securing access to this \$2 billion market. CCC was also busy representing our interests during negotiations of the Trans-Pacific Partnership (TPP), Comprehensive Economic and Trade Agreement (CETA), GMO labelling, biotech approvals and changing food and feed safety regulations, to name just a few.

Here at home, CCC focused on helping growers understand export standards through an extensive Keep it Clean awareness campaign, which increased traffic to these online information tools by 80%. CCC is also playing a leading role in the Canada Grains Council's maximum residue limit (MRL) working group, which is driving toward common approaches across the industry.

We will continue to build on these and many other achievements in the year ahead. On behalf of the Commission, I will be your voice at the industry-wide table.

CANADIAN CANOLA GROWERS ASSOCIATION REPORT

CCGA Directors on behalf of SaskCanola:
Brett Halstead, Bernie McClean, & Doyle Wiebe



VISION: Helping Farmers Succeed

MISSION: To influence national and international issues, policies and programs that enhance the profitability of Canadian canola growers

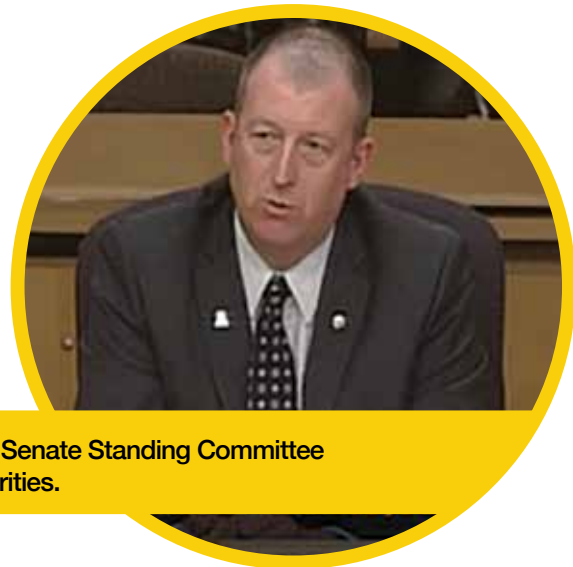
CCGA's board of directors includes 10 farmers representing each of its member associations: Alberta Canola Producers Commission, B.C. Grain Producers, Manitoba Canola Growers Association, SaskCanola, and Ontario Canola Growers Association. The association's two main activities include: administrating the federal cash advance program across Western Canada; and advocating for agriculture policy and program changes.

GOVERNMENT RELATIONS & ADVOCACY

CCGA's Government Relations and Policy Development teams investigate policy alternatives and promote policy changes that benefit canola farmers across Canada. In 2015/16, CCGA's government relations activities focused on getting to know the new Liberal government and its priorities, while continuing to advocate for Canadian canola farmers.

Decisions made by parliamentarians directly affect farmers, so it is vitally important that we build their understanding about farmers and the Canadian canola industry. In addition to face-to-face meetings, CCGA completed formal government submissions on trade, transportation, the agriculture policy framework, the environment, Canadian Grain Commission proposals, pesticide regulations, and the 2017 budget. Appearances before the House and Senate Standing Committees on issues that impact growers supplement this list.

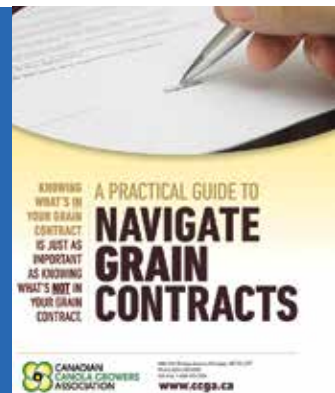
CCGA regularly meets with Members of Parliament (MP's), Ministers and their staff, and public servants. Since the beginning of 2016, CCGA has held nearly 40 meetings with MPs, including joint Canola Council of Canada lobby day meetings that were held in Ottawa in May.



Brett Halstead, CCGA President, appears before a Senate Standing Committee to discuss market access priorities.

UNDERSTANDING GRAIN MARKETING CONTRACTS

CCGA's updated A Practical Guide to Navigate Grain Contracts helps farmers navigate the complicated world of grain contracts. A complete copy of this guide can be found at www.ccca.ca



RESPONSIVE & EFFICIENT RAIL SERVICE IS CRITICAL

Canada's grains are well traveled, moving from the farm to Canadian and global destinations. Over 90% of canola grown in Canada is exported by rail, and the industry relies on efficient, predictable and timely rail service. CCGA continues to advocate for changes to how rail service is provided in Canada.



CCGA's continued support of the Ag Transport Coalition (ATC) Weekly Performance Measurement Report means rail performance measurement data is accessible to farmers and industry. The association continues working as a member

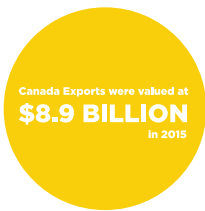
of the Crop Logistics Working Group, a forum for industry to discuss supply chain challenges and identify ways to improve Canada's crop logistics system.

In addition to a number of submissions that CCGA has produced, including a response to the 500-page Canada Transportation Act Review Report, CCGA recently authored a study on the Canadian hopper car fleet.

Of notable achievement this year was the postponement for one year of the repeal of certain interswitching provisions of the Canada Transportation Act, that were enacted in 2014 by the Fair Rail for Grain Farmers Act.

TRADE IS VITALLY IMPORTANT TO CANOLA FARMERS

Canola is a trade powerhouse, exporting 90% of production as seed, oil or meal. These exports keep farms successful and help ensure strong rural communities, employment and value added activities. With so much production going to export markets, keeping these markets open is critical. Open markets and clear trade rules make reliable



markets. Trade agreements that provide stable, transparent and predictable access are needed as well as ongoing efforts to fix market access issues.

CCGA has been a strong advocate for Canada to sign and ratify the Trans Pacific Partnership (TPP) agreement. The TPP market is home to our top customers, and it accounts for over 60% of canola export sales. In 2015, Canadian exports to TPP members totaled \$5.3 billion in canola seed, oil and meal. More generally, the region is home to 800 million potential consumers.

REPRESENTING CANOLA FARMERS AT NATIONAL AND INTERNATIONAL LEVELS

CCGA is a member of these national policy organizations:

- Canada Grains Council
- Grain Growers of Canada
- Canola Council of Canada
- Canadian Agri-Food Trade Alliance

CCGA represents canola growers on these national committees:

- Grains Value Chain Roundtable
- Canadian Roundtable for Sustainable Crops
- PMRA Pest Management Advisory Council
- PMRA Grower Requested Own Use program
- Western Grains Standards Committee
- Western Grains Research Foundation

CCGA carries canola farmers' position to an international level through its participation in:

1. International Oilseed Producers Dialogue - a network of oilseed farmer associations from Asia, Australia, EU, South and North America.
2. International Agri-Food Network - an informal coalition of international trade associations involved in the agri-food sector at the global level. Through this affiliation, CCGA was able to participate in a biotechnology symposium hosted at FAO in Rome and co-host a side-event called "The Voice of Farmers: Biotechnology in the Field".

CASH ADVANCES, CASH FLOW SOLUTIONS FOR YOUR FARM

CCGA is an administrator of the Advanced Payments Program, a federal financial loan program that provides access to credit through cash advances. CCGA is the largest cash advance administrator in Canada, issuing advances to nearly 10,000 farmers annually.

The program, which benefits both new and established farms, offers unique benefits to farmers, including low interest rates, and marketing flexibility.

CCGA issues advances on 45 commodities, including all grains, oilseed and pulse crops, as well as both major and minor livestock and sweeteners across the western provinces.

TWIGG & COMPANY
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

We have audited the accompanying financial statements of the Saskatchewan Canola Development Commission, which comprise the statement of financial position as at July 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

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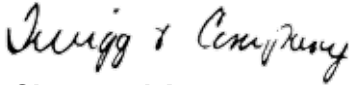
Basis for qualified opinion

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, 2016, current assets as at July 31, 2016 and July 31, 2015, and net assets at both the beginning and end of the July 31, 2016 and July 31, 2015 years. The audit opinion on the financial statements for the year ended July 31, 2015 was modified accordingly because of the possible effects of this limitation in scope.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Canola Development Commission as at July 31, 2016 and the results of operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

October 13, 2016
Saskatoon, Saskatchewan


Chartered Accountants

Saskatchewan Canola Development Commission
Statement of Financial Position
As at July 31, 2016

	July 31, 2016	July 31, 2015
Assets		
Current assets		
Cash	215,610	57,065
Short-term investments (note 5)	2,705,775	2,895,410
Accounts receivable (note 3)	829,416	837,098
Deposits and prepaid expenses	26,113	25,449
Current portion of loans receivable (note 4)	6,391	6,235
	3,783,305	3,821,257
Loans receivable (note 4)	57,224	63,615
Investments (note 5)	2,212,416	1,925,818
Capital assets (note 6)	93,498	23,414
	6,146,443	5,834,104
Liabilities		
Current liabilities		
Accounts payable (note 7)	691,520	547,943
	691,520	547,943
Net Assets		
Invested in capital assets	93,498	23,414
Internally restricted (note 8)	2,100,000	1,700,000
Unrestricted	3,261,425	3,562,747
	5,454,923	5,286,161
	6,146,443	5,834,104
Commitments (note 9)		

See accompanying notes to the financial statements

Approved by the Board of Directors

 Director

 Director

Saskatchewan Canola Development Commission
Statement of Changes in Net Assets
For the year ended July 31, 2016

				2016	2015
	Invested in capital assets \$	Internally restricted \$	Unrestricted \$	Total \$	Total \$
Balance – Beginning of year	23,414	1,700,000	3,562,747	5,286,161	5,190,883
Increase to internally restricted reserves (note 8)		400,000	(400,000)	-	-
Excess (deficiency) of revenue over expenses for the year (see note below)	(17,146)	-	185,908	168,762	95,278
Purchase of equipment	87,230	-	(87,230)	-	-
Balance – End of year	93,498	2,100,000	3,261,425	5,454,923	5,286,161
Note: Consists of:					
Depreciation	17,146				

See accompanying notes to the financial statements

Saskatchewan Canola Development Commission
Statement of Operations
For the year ended July 31, 2016

	Budget 2016 \$ (note 10)	Actual 2016 \$	Actual 2015 \$
Revenue			
Producer levy (note 11)			
Levy	5,272,000	6,629,536	5,893,657
Refunds	(289,960)	(463,197)	(358,708)
	<hr/>	<hr/>	<hr/>
Net	4,982,040	6,166,339	5,534,949
Interest income	91,700	97,580	89,205
Project contributions	525,536	561,022	683,719
Other income	28,000	200,895	23,223
	<hr/>	<hr/>	<hr/>
	5,627,276	7,025,836	6,331,096
Expenses			
Research and development (note 12)	2,127,241	2,195,143	2,319,076
Canola Council of Canada core funding (note 13)	1,585,416	1,696,459	1,661,792
Market development	635,000	780,538	201,084
Communications	1,001,500	935,152	766,506
Policy	125,000	102,259	47,194
Governance	223,000	224,985	271,942
Salaries and benefits	599,300	597,876	562,199
General and administration	306,900	307,516	380,675
Depreciation	18,000	17,146	25,350
	<hr/>	<hr/>	<hr/>
	6,621,357	6,857,074	6,235,818
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenue over expenses for the year	(994,081)	168,762	95,278

See accompanying notes to the financial statements

Saskatchewan Canola Development Commission
Statement of Cash Flows
For the year ended July 31, 2016

	2016 \$	2015 \$
Cash provided by (used in)		
Operating activities		
Receipts from producers	6,634,429	5,950,511
Receipts of interest and other income	876,938	660,875
Payments of research and development projects, and scholarships	(2,187,551)	(2,508,614)
Payments to board of directors	(225,368)	(290,113)
Payments to producers	(357,748)	(304,515)
Payments to suppliers and employees	(4,396,266)	(3,674,171)
	344,434	(166,027)
Investing activities		
Purchase of capital assets	(87,231)	(4,330)
Purchase of investments	(2,598,658)	(2,499,360)
Proceeds from disposals of investments	2,500,000	2,286,184
	(185,889)	(217,506)
Increase (decrease) in cash	158,545	(383,533)
Cash – Beginning of year	57,065	440,598
Cash – End of year	215,610	57,065

See accompanying notes to the financial statements

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 (“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 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 Handbook and include the following significant accounting policies:

a) Revenue recognition

Levy and refunds

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

Restricted contributions

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

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.

b) Basis of accounting for co-sponsored program interests

SaskCanola uses the equity method of accounting for its interest in the Canola Digest co-sponsored program, where SaskCanola is obligated to fund its share of a deficit in any one year or where SaskCanola has a right to a credit for its share of net earnings of the program in any one year.

2 Significant Accounting Policies (continued)

c) Cash and cash equivalents

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

d) Capital assets

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

Equipment and furniture and leasehold improvements	3 – 5 years
--	-------------

e) Grants, and 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.

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

g) 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.

h) 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 the useful lives of property, plant and equipment.

3 Accounts receivable

The accounts receivable balance consists of the following:

	2016	2015
Levy receivables	\$ 678,078	\$ 682,970
Grants receivable	114,572	94,705
Other receivables	36,766	59,423
	\$ 829,416	\$ 837,098

4 Loans receivable**Elevance loan receivable**

SaskCanola entered into a research agreement with Elevance Renewable Sciences, Inc. ("Elevance") in 2009. Total funding of \$239,420 was provided to Elevance with the final payment of \$39,420 on June 23, 2011. Per the agreement, 50% of that funding is to be considered a loan. The \$119,710 loan portion of the \$239,420 funding advance is provided on an interest free basis. Repayment of the loan portion began June 2011 at \$7,981 per year over 15 years. The loan is measured at amortized cost consistent with section 3856 Financial Instruments of the CPA handbook using effective interest rate of 2.5%. The activity in the Elevance loan receivable in the current year is as follows:

	July 31, 2016	July 31, 2015
Balance, beginning of year	69,850	75,933
Payments during year	(7,981)	(7,981)
Effective interest	1,746	1,898
	63,615	69,850
Less: current portion	6,391	6,235
Balance, end of year	57,224	63,615

The estimated principal loan repayments due within each of the next five years are as follows:

2017	6,391
2018	6,550
2019	6,713
2020	6,879
2021	7,048
Thereafter	30,034
	63,615

5 Investments

		2016		2015	
	Years to maturity	Market value	Yield to maturity	Market value	Market value
Short-term					
Guaranteed investment certificates	1	\$ 2,187,474	1.50% – 2.70%	\$ 2,552,005	
Cash and cash equivalents	-	518,301	-	343,405	
		\$ 2,705,775		\$ 2,895,410	
Long-term					
Guaranteed investment certificates	1-2	\$ 1,233,472	1.83% – 2.60%	\$ 1,925,818	
Bonds and notes	2-5	978,944	2.08% – 3.34%	-	
		\$ 2,212,416		\$ 1,925,818	

6 Capital assets

			July 31, 2016	July 31, 2015
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Equipment, furniture and leasehold improvements	230,678	137,180	93,498	23,414

7 Accounts payable

The accounts payable balance consists of the following:

	2016	2015
Trade payables	\$ 91,123	\$ 60,832
Research payables	98,728	102,595
Levy refunds payable	461,194	356,805
Wages payable	40,475	27,711
	\$ 691,520	\$ 547,943

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.

	July 31, 2016	July 31, 2015
	\$	\$
Revenue stabilization reserve		
Balance – beginning and end of year	1,000,000	1,000,000
Increase in the year	200,000	-
Balance – end of year	1,200,000	1,000,000
Organizational closure reserve		
Balance – beginning and end of year	700,000	700,000
Increase in the year	200,000	-
	900,000	700,000
Internally restricted net assets	2,100,000	1,700,000

9 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:

2017	\$	1,325,267
2018		942,338
2019		434,812
2020		45,525
2021 and thereafter		88,666

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

Year ending July 31:

2017	\$	392,000
2018		50,000

9 Commitments (continued)

SaskCanola is committed under a lease agreement for its premises at 212 – 111 Research Drive. The agreement expires on August 31, 2021. The required minimum annual lease payments are as follows:

Year ending July 31:	
2017	\$ 81,313
2018	91,432
2019	95,770
2020	97,505
2021 and thereafter	107,252

10 Budget

The budget presented is unaudited. The SaskCanola board of directors approved the 2015 fiscal year budget on June 19, 2015.

11 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 #22/09, effective March 9, 2010, 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.

12 Research and development projects

	Budget	2016	2015
	\$	Actual	Actual
		\$	\$
New projects	400,000		
Agronomic research		310,943	299,177
Germplasm development		95,902	-
Usage research		17,080	-
Continuing projects			
Agronomic research	648,353	646,070	648,516
Germplasm development	885,758	906,322	1,108,805
Usage research	170,130	198,214	250,538
Other research	23,000	20,612	12,040
	2,127,241	2,195,143	2,319,076

13 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 and allows them to develop programs that benefit the canola industry. Under this program, SaskCanola pays CCC \$0.23 (2015 - \$0.23) per tonne of net levy collected in the prior year. SaskCanola’s current year payment is based on 7,375,909 tonnes (2015 – 7,225,183).

14 Related parties

Included in these financial statements are transactions with various Saskatchewan agencies, boards and commissions related to SaskCanola by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as “related parties”). Routine operating transactions with related parties are settled on normal trade terms.

The following table summarizes the significant related party transactions for the year:

	2016	2015
	\$	\$
Expenses		
Research and development projects	449,490	318,959
Market development	11,000	11,500
Scholarships (Communications)	80,000	90,000
Revenue		
Project contributions	100,000	100,000

15 Co-sponsored program

SaskCanola has equal representation with the Alberta Canola Producers Commission, the Manitoba Canola Growers Association and the Canola Council of Canada to publish a magazine entitled Canola Digest. Revenues and expenses are distributed based on each organization's proportionate qualified grower circulation. SaskCanola's qualified grower circulation is on average for the year 47.50% (2015 47%). Upon establishment of the Canola Digest program, the co-sponsors did not contribute any funding or other assets to the program. The current agreement between the co-sponsors expired June 30, 2016.

SaskCanola's interest in the program assets, liabilities, net assets, revenues, expenses, net income, and cash flows are shown below. Net income (loss) is not recorded as a part of communications for 2016 as was the case in 2015. All parties agreed to leave the surplus and carry it forward for the 2015/16 operating year.

	2016	2015
	\$	\$
Current assets	-	-
Current liabilities	-	-
Net assets	-	-
Revenues	233,374	243,482
Expenses	221,261	219,567
Net income (loss)	12,113	23,915

16 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, 2016, three customers accounted for 53.15% (63.35% - 2015) of accounts receivable, representing the Organization's maximum credit risk exposure. The Organization believes that there is no unusual exposure associated with the collection of these receivables. The Organization 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 not exposed to significant interest rate risk on its investments.

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AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

We have made an examination to determine whether the Saskatchewan Canola Development Commission complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities during the year ended July 31, 2016.

- The Agri-Food Act, 2004
- The Saskatchewan Canola Development Plan Regulations
- Commission Orders No. 17/09 to 23/10

Our examination was made in accordance with the Canadian generally accepted auditing standards and, accordingly, included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the Saskatchewan Canola Development Commission has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended July 31, 2016.

Saskatoon, Saskatchewan
October 13, 2016

Twigg & Company
Chartered Accountants

TWIGG & COMPANY
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

We have audited SaskCanola's control as of July 31, 2016 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 Organization'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.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

(continued from previous page)

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

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 SaskCanola's control 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, SaskCanola's control was effective, in all material respects, to meet the objectives stated above as of July 31, 2016 based on the CPA Canada criteria of control framework.

TWIGG & COMPANY
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Saskatchewan Canola Development Commission

(continued from previous page)

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of SaskCanola, which comprise the statement of financial position as at July 31, 2016, 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 October 13, 2016, which is the same date as the date of the report on the effectiveness of internal controls.

**Saskatoon, Saskatchewan
October 13, 2016**

Twigg & Company
Chartered Accountants

BOARD of DIRECTORS



Charlene Bradley
Box 36
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Doyle Wiebe



COMMITTEES

AUDIT

Chair: Doyle Wiebe

Members: Brett Halstead, Charlene Bradley,
Terry Youzwa

CANOLA & ADVOCACY PROMOTION

Chair: Brett Halstead

Members: Dale Leftwich, Doyle Wiebe,
Lane Stockbrugger

GOVERNANCE

Chair: Lane Stockbrugger

Members: Wayne Truman, Dale Leftwich

POLICY

Chair: Charlene Bradley

Members: Terry Youzwa, Doyle Wiebe,
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RESEARCH

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CELEBRATING 25 YEARS

SaskCanola was established on April 1, 1991. Over the past 25 years, SaskCanola's Board of Directors & Staff have worked on behalf of Saskatchewan canola producers to make the canola industry more competitive, sustainable, and prosperous. The future is bright for agriculture and SaskCanola looks forward to continuing to work on behalf of Saskatchewan canola producers to advance their interests and grow their levy investment.



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ANNIVERSARY

SaskCanola
Saskatchewan Canola Development Commission


**Saskatchewan
Canola
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