



# 2017-18

ANNUAL REPORT







## OUR VISION



**GROWING PRODUCER  
PROSPERITY**

## OUR MISSION



**TO PROVIDE VALUE TO  
CANOLA PRODUCERS  
THROUGH RESEARCH,  
ADVOCACY, AND MARKET  
DEVELOPMENT**

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# STATE OF THE INDUSTRY REPORT

## SASKCANOLA CHAIR: DOYLE WIEBE

Saskatchewan's canola industry continues to prosper and this province now represents 50% of Canadian production. As much as the 2017 crop produced slightly less than the previous year, the overall trend of increased production is impressive and remains unbroken over the last decade. Saskatchewan farmers continue to earn profits from this crop in all soil zones as yields have steadily increased along with marketing opportunities.

The continued growth of this crop is due largely to the work of many public and private sector professionals who take their roles very seriously and work at finding solutions when production issues arise. From blackleg and standability in the

80's to green seed, new diseases, insect and straight combining issues in the last decade – researchers, seed companies and field agronomists have teamed together to ensure we have a bright future for this crop.

Saskatchewan however, is facing adversity on one issue in particular – Clubroot. Visible symptoms of clubroot have been confirmed in 37 Saskatchewan canola fields across the northern agricultural regions to date (October 31, 2018). The area where clubroot has been confirmed includes crop districts 9AE, 9AW, 9B, 7B, 6B, and 5B. In response to clubroot detections in the Fall of 2017, and to better



SaskCanola  
Saskatchewan Canola Development Commission  
From our fields to the world.

“

We will work to ensure that investments in canola continue in areas that will provide the greatest return to Saskatchewan producers.





understand the scope of clubroot in the province, SaskCanola invested in an extensive clubroot survey in 2018, led by the Saskatchewan Ministry of Agriculture. The in-field portion of the survey recently concluded, and soil testing is underway at the laboratory, which will provide additional information about the distribution of the clubroot pathogen. Once testing is complete, a clubroot distribution map will be released in early 2019 to raise awareness of the distribution of clubroot in Saskatchewan. Specific locations of fields with clubroot presence will not be shared publicly. SaskCanola is fully supportive

of the Ministry's efforts in conducting the clubroot survey to formulate a distribution map. It is our goal to help canola growers prevent the introduction of clubroot into new areas and, where already present, to help them take steps to mitigate the disease.

As you read further in this annual report for the crop year ending last July 31 and how we were able to implement more of our four pillar strategic plan including Research, Producer Engagement, Canola Promotion and Advocacy, take note how busy both staff and board have been over the last year. Besides

all of the Commission's activities, our contribution to the CCC board with two directors, three directors on the CCGA board, one director on the Grain Growers of Canada board, and one director on the Western Grains Research Foundation board, as well as staff and board roles on provincial organizations, have often been noted by observers. The dedication of board and staff is commendable, and I encourage you to connect with any of them with any questions, concerns or words of encouragement. We will work to ensure that investments in canola continue in areas that will provide the greatest return to Saskatchewan producers.

# 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

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

Since 1991, SaskCanola has funded over 370 research projects related to agronomy, disease, insect and weed management, utilization of canola oil and meal, and pre-breeding tools. Approximately 40% of our annual budget is invested in research to benefit Saskatchewan canola growers.

In 2017/18, SaskCanola made research commitments of \$5,371,714 to fund 26 canola-related research projects and programs. These research and development efforts range in time frames from one to five years, with a collective total budget of \$28,867,900.

for producers. In addition, SaskCanola was successful in garnering National Sciences and Engineering Resources Council of Canada (NSERC) and Mitacs funding.

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

**\$5.4 MILLION  
IN RESEARCH FUNDING FOR  
26 CANOLA  
-RELATED PROJECTS**

SaskCanola leverages levy dollars by partnering with other research oriented commissions (provincial & national) as well as provincial and federal governments in order to maximize value





## CANOLA DIGEST SCIENCE EDITION: RESEARCH PAYS DIVIDENDS

The Canola Digest Science Edition was mailed to over 40,000 Western Canadian canola growers in November 2017 with a *Research Pays Dividends* theme.

Viewable online at:  
[canoladigest.ca/science-edition-2017/research-pays-dividends/](http://canoladigest.ca/science-edition-2017/research-pays-dividends/)

## CANOLA PERFORMANCE TRIALS

The Canola Performance Trials are fully funded by growers for growers by the provincial prairie canola organizations; the program is administered by the Canola Council of Canada.

All results are available online at:  
[canolaperformancetrials.ca](http://canolaperformancetrials.ca)



# CANOLA AGRI-SCIENCE CLUSTER

The *Canola Agri-Science Cluster* will channel \$20 million in public/private funding into six areas of research aimed at sustainably growing the canola industry. By helping to reduce production risk, improve yields, enhance sustainability and increase market demand, the findings are expected to greatly expand the economic value of the \$26.7 billion canola industry.

“Research is critical to innovation and that’s why Alberta Canola, SaskCanola and the Manitoba Canola Growers are investing just above \$4 million over five years in the Canola Agri-Science Cluster.”

-**Bernie McClean**, Chair of SaskCanola’s Research Committee

## THEME 1

Differentiated quality and enhanced environmental performance in food processing

## THEME 2

Differentiated quality and sustainable livestock production using canola meal

## THEME 3

Increased production – yield and quality optimization for sustainable supply

## THEME 4

Sustainability and climate change – improving nutrient and water use efficiency

## THEME 5

Sustainability and climate change – integrated pest management

## THEME 6

Putting innovation into action – knowledge and technology transfer

## SCHOLARSHIPS

SaskCanola continues to support the growth and future success of the canola industry through scholarships, including graduate fellowships 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. Five deserving recipients were chosen based on their academic achievement and projects’ suitability to SaskCanola:

- Jennifer Bell is studying how microbial communities assemble in the soil and leaf surfaces on canola
- Shanay Williams-Johnson is studying linking root structural and biotic traits to soil nitrogen cycling and nitrogen use efficiency among diverse canola (*Brassica napus*) genotypes
- Musharaf Hossain is studying the identification and functional characterization of putative effectors of *Plasmodiophora brassicae* and their role in regulating cell death during infection
- Zayda Morales is studying the canola seed microbiome: a new approach towards improving crop productivity in a sustainable way
- Yan Ran Tang is studying the development of a canola based oleogel

“This scholarship will help me pursue my dream of working in the field of applied microbial ecology focusing on research that will help breeders identify canola lines with the most robust microbiomes, leading to more sustainable agriculture.” -**Jennifer Bell**, Scholarship Recipient





# EXTENSION

SaskCanola supports research towards new discoveries, solutions and tools for canola production. Here are three of many extension resources developed for growers in the 2017-18 year:

## BLACKLEG VIDEO

The *Blackleg in Canola – Understanding Blackleg Resistance and Management Tools* video launched in February 2018; viewable online at [blackleg.ca](http://blackleg.ca)



## CANOLA DIRECT-CUT HARVEST SYSTEM DEVELOPMENT

"In 2014, SaskCanola invested in a project to answer some of the basic questions around header selection and use of dividers for straight cutting canola," explains Bernie McClean, Chair of SaskCanola's Research Committee. "The team at PAMI has completed the project and published a straight cutting guidebook that will provide information for growers considering straight cutting for the first time, as well as the seasoned straight cutter." The *Guidebook for Straight Cutting Canola* is viewable online at [www.saskcanola.com/resource](http://www.saskcanola.com/resource)

## ENHANCED SASKATCHEWAN SOIL DATA FOR SUSTAINABLE LAND MANAGEMENT

Researchers at the University of Saskatchewan and collaborators initiated a project in 2016 to design and develop a new enhanced data framework to store and access Saskatchewan soil information. The *Saskatchewan Soil Information System* (SKSIS) was officially launched in 2018; viewable online at [sksis.usask.ca](http://sksis.usask.ca).

"SaskCanola is proud to invest in the SKSIS project bringing important soils information into the hands/cellphones of growers," says Bernie McClean, Chair of SaskCanola's Research Committee. "Until now, this information was only available in hard copy format. SKSIS makes information readily available in a digital format, improving access to growers and agronomists, and will be a baseline for making future land management decisions."



	PROJECT TITLE	RESEARCHER/ ORGANIZATION	SASKCANOLA INVESTMENT	TOTAL PROJECT COST	FUNDING PARTNERS
1	An on-farm approach to monitor and evaluate the interaction of management and environment on canola establishment and disease development	Catellier IHARF	\$87,054	\$87,054	
2	Developing a soil health assessment protocol for Saskatchewan producers	Congreves U of S	\$37,820	\$211,701	ADF SWDC WGRF
3	Soil health and nutrient uptake among diverse canola lines – added value to crop phenotyping	Arcand U of S	\$16,539	\$307,411	ADF
4	Investigating the role of plant hosts in the outbreaks of the aster leafhopper vectored Aster Yellows	Prager U of S	\$256,220	\$432,800	
5	Revisiting nitrogen fertilizer recommendations for Saskatchewan. Are we measuring the right soil nitrogen pool?	Farrell U of S	\$65,525	\$268,102	WGRF SWDC AWC
6	Monitoring soil organic carbon on commercial direct-seed fields across Saskatchewan - Phase 4	McConkey AAFC	\$41,055	\$343,975	SWDC SODC SBDC SFDC ADF SPG
7	Defining best management practices for using supplemental heating with natural air drying	Agnew PAMI	\$66,810	\$163,750	SWDC
8	Biopesticides as a novel management strategy for sclerotinia in canola	Boyetchko AAFC	\$598,040	\$448,530	MCGA
9	Effect of hairiness in brassica lines on the abundance, feeding and oviposition behavior of flea beetles, diamondback moth, and Aster leafhopper	Olivier AAFC	\$260,130	\$390,000	ACPC
10	Canola frequency effects on nutrient turnover and root-microbe interactions	Helgason AAFC	\$129,468	\$258,935	ACPC
11	Assessing surface wax chemical diversity as a tool to defend against abiotic and biotic stress in canola	Smith AAFC	\$78,100	\$78,100	
12	Development of a harmonized clubroot map	Strelkov U of A	\$43,700	\$231,100	ACPC MCGA
13	Generate knowledge and control strategies for the pollen beetle <i>Brassicoglyphus viridescens</i> (Coleoptera: Nitidulidae), a new invasive insect pest of canola	Noronha AAFC	\$61,800	\$185,400	ACPC MCGA
14	Reducing toxicity of seed-placed phosphorus fertilizer in oilseed crops	Mooleki AAFC	\$196,500	\$393,000	ACPC
15	Identification and assessment of the role of natural enemies in pest suppression in canola with specific reference to diamondback moth management	Evenden U of A	\$138,053	\$276,106	ACPC
16	Optimal source, placement and application timing for yield and reduction of greenhouse gas footprint for canola production on light texture soils	Tenuta U of M	\$232,920	\$642,720	MCGA
17	How does in-row seed spacing and spatial pattern affect canola yield?	Shirtliffe U of S	\$456,469	\$656,469	

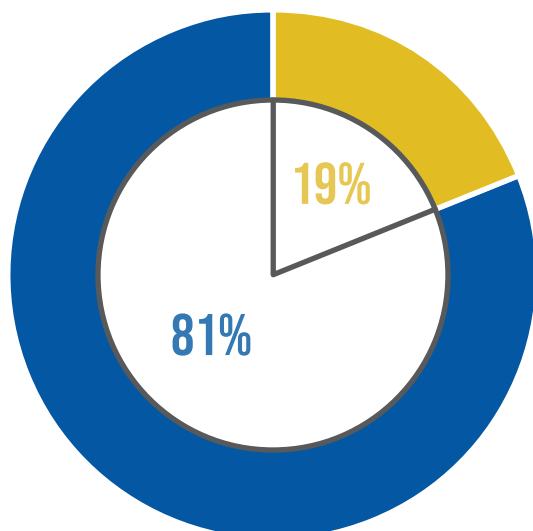


PROJECT TITLE	RESEARCHER/ ORGANIZATION	SASKCANOLA INVESTMENT	TOTAL PROJECT COST	FUNDING PARTNERS
18 SaskCanola seeding rate trial	Catellier IHARF	\$53,590	\$53,590	
19 Clubroot surveillance and pathotype monitoring	Strelkov U of A	\$112,500	\$225,000	ACPC
20 Water monitoring for the neonicotinoid insecticides	Sheedy AAFC	\$10,000	\$31,400	SWDC SPG
21 Defining populations of <i>Plasmodiophora brassicae</i> with near isogenic <i>Brassica napus</i> lines	Yu AAFC	\$71,125	\$493,500	ADF
22 Overcoming blackleg disease in canola through establishment of quantitative resistance	Borhan AAFC	\$396,000	\$396,000	
23 Identifying the optimal root system architecture for <i>Brassica</i> crops	Parkin AAFC	\$120,745	\$1,029,870	ADF
24 Identification and genetic mapping of novel genes for resistance to blackleg in Chinese and Canadian <i>Brassica napus</i> varieties	Fernando U of M	\$491,411	\$761,411	
25 Development of a tool for rapid analysis of glucosinolate content in canola meal	Slominski U of M	\$320,000	\$320,000	
26 The Canola Agri-Science Cluster: Sustainable Reliable Supply for a Changing World	Various research institutions across Western Canada	\$1,030,140	\$20,181,976	AAFC CCC ACPC MCGA
<b>TOTAL COMMITMENTS</b>		<b>\$5,371,714</b>	<b>\$28,867,900</b>	

## FUNDING PARTNERS

AAFC – Agriculture & Agri-Food Canada  
 ACPC – Alberta Canola Producers Commission  
 ADF – Agriculture Development Fund  
 CCC – Canola Council of Canada  
 MCGA – Manitoba Canola Growers Association  
 PAMI – Prairie Agricultural Machinery Institute  
 SPG – Saskatchewan Pulse Growers

SBDC – Saskatchewan Barley Development Commission  
 SODC – Saskatchewan Oats Development Commission  
 SWDC – Saskatchewan Wheat Development Commission  
 U of A – University of Alberta  
 U of M – University of Manitoba  
 WGRF – Western Grains Research Foundation



## SASKCANOLA RESEARCH EXPENSES

SASKCANOLA INVESTMENT 19%

LEVERAGE 81%

SASKCANOLA INVESTMENT	\$5,371,714
LEVERAGE	\$28,867,900
MATCHING RATE	5.37



# PRODUCER ENGAGEMENT REPORT

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

## WEBSITE

SaskCanola’s website is canola growers’ source for agronomy, marketing, and management resources along with information about the goals and initiatives of the Commission. Total visits in 2017 were 32,000 with 85,000 page views. Mobile device use continues to increase and represents 33% of total visits now. Most popular page is the main *About SaskCanola* page. 7,023 resources were downloaded in the 17-18 year.

## ELECTRONIC NEWSLETTERS

SaskCanola sends on average one e-newsletter per month that includes all of the latest canola news and information to a subscriber list of over 1,400 and growing. SaskCanola’s open rate is consistently close to double the industry standard, that fact combined with our very low unsubscriber rate validates that the e-newsletter content is relevant and resonates with growers. Sign up at: [saskcanola.com/news/subscribe.php](http://saskcanola.com/news/subscribe.php)

## SOCIAL MEDIA

Social media is one of our primary communication tools with Twitter and now Facebook being the platforms we are active on.

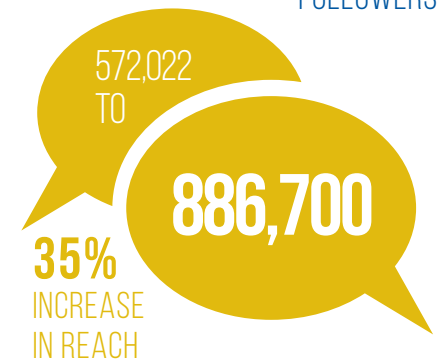
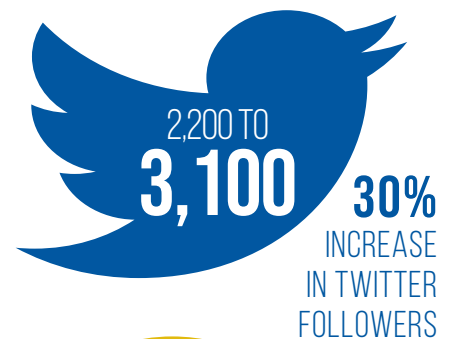
The @SaskCanola Facebook page was created on July 16, 2018.

The @SaskCanola Twitter account is used to deliver timely agronomic and event information to farmers and to engage with them. With over 3,100 followers, we earned 886,700 impressions from 08/01/2017 to 07/31/2018.

## RADIO

SaskCanola hosted both weekly and monthly *Canola Connection* radio programs that aired across the province; with podcasts posted to the SaskCanola website.

In addition, SaskCanola ran both harvest and seeding radio campaigns with applicable, timely messaging for growers. A campaign promoting SaskCanola’s AGM and CropSphere rounded out the Commission’s radio presence.





# KEY PARTNERS & SPONSORSHIPS



## CANOLA DIGEST

SaskCanola is a partner of the award winning *Canola Digest* magazine produced by the Canola Council of Canada. Four issues are published in January, March, September and November of each year. Every issue includes two Saskatchewan specific pages, called the *Saskatchewan Bulletin*. Copies of the publication are mailed to every Saskatchewan canola grower.

## CANOLA SCHOOL

SaskCanola partners with Alberta Canola and Manitoba Canola Growers Association to sponsor *Canola School* produced by RealAgriculture. The educational videos are available to growers through the [realagriculture.com](http://realagriculture.com) website.

## CANOLA WEEK

SaskCanola partnered with Ag-West Bio and the Canola Council of Canada to host the first ever Canola Week in December -

## CANOLA COUNCIL OF CANADA CROP PRODUCTION AND INNOVATION TEAM

SaskCanola works closely with the Canola Council of Canada (CCC) agronomists to provide growers with agronomic information. The agronomists speak at winter meetings and summer events, and are instrumental in producing the two featured agronomy events (canoLAB and canolaPALOOZA).

uniting three top-notch canola events - Canola Industry Meeting, Canola Discovery Forum, and Canola Innovation Day. Experts discussed the latest developments in research and the growing canola industry.

## EVENT SPONSORSHIP

SaskCanola provides financial support for top quality extension events including:

- Crop Diagnostic School
- Saskatchewan Soil Conservation Association annual conference
- Saskatchewan Institute of Agrologists annual convention
- Top Crop 2018 Herbicide Resistance Summit
- Soils & Crops conference
- Applied Research Associations' field days
- Sask Young Ag Entrepreneurs conference
- International Conference on Irrigation and Drainage

## GRAIN EXPO

SaskCanola was once again a Gold Sponsor of the Grain Expo; a two-day crop conference

hosted by the Western Canadian Agribition within the week long livestock show. It is a great opportunity for SaskCanola to partner and showcase the newest canola information to a large audience of engaged growers.

## GRAIN SAFETY

SaskCanola is a sponsor of the Canadian Agricultural Safety Association's *BeGrainSafe* program. The heart of this program is a mobile unit that demonstrates the dangers associated with grain entrapment. The unit is also used to prepare first responders for grain entrapment emergencies.

## GRADE SCHOOL

SaskCanola partnered with SaskBarley and Sask Wheat to host two grain grading workshops in Rosetown and North Battleford in November. The purpose of the workshops was to help growers learn more about degrading factors in wheat, barley, & canola.

# KEY EXTENSION EVENTS

## TOP NOTCH FARMING MEETINGS

In partnership with SaskFlax, SaskMustard, and the Saskatchewan Ministry of Agriculture, SaskCanola toured the province with the third annual Top Notch Farming meetings, with stops in Moose Jaw, Swift Current, Rosetown, North Battleford, Melfort, Humboldt, and Davidson. More than 500 growers were in attendance across the 7 locations.



## LEARN TO LEAD

In November, SaskCanola hosted the second annual Learn to Lead leadership course for 25 young farmers from across Saskatchewan to help them develop skills such as time management, decision making, consensus building, and interpersonal communication. In addition to the classroom style activities, an evening gala provided delegates with the opportunity to network with agriculture community leaders.



It's jumped to the number 1 workshop/conference I've ever attended! SaskCanola is doing a great thing with this workshop! -Andrea De Roo



It was an honour to attend #LearntoLead17. Very professional event and highly recommended. Great job SaskCanola! -Kelly Baillargeon



Thanks SaskCanola and all the other delegates for an excellent young producer workshop on Leadership and Ag Professionalism. -Devon Walker



## CROP PRODUCTION SHOW

The canola booth at Crop Production Show was co-hosted by our SaskCanola team and the Canola Council of Canada agronomy team.

## ANNUAL GENERAL MEETING

SaskCanola's Annual General Meeting was held in conjunction with CropSphere on January 8th with 200 growers and industry representatives in attendance. The *Canola Influencer Award* was presented to William Cooper.

## CROSPHERE

SaskCanola hosted the 2018 CropSphere conference along with SaskBarley, SaskFlax, SaskOats, Sask Pulse Growers, and Sask Wheat. CropSphere 2018 was held at TCU Place in Saskatoon in January and attracted a crowd of over 650 delegates.

## CANOLAB

CanoLAB is an indoor diagnostic event for growers and agronomists co-hosted by SaskCanola and the Canola Council of Canada. The 2018 event was held at TCU Place in Saskatoon in February.

## CANOLAPALOOZA

The second Saskatchewan canolaPALOOZA was held at the Saskatoon Research and Development Centre in June; hosted by SaskCanola, the Canola Council of Canada, and Agriculture & Agri-Food Canada.

The event featured western Canada's top researchers and agronomists leading 200 participants through diagnostic plots. This unique event had a carnival like atmosphere complete with everything from food trucks to a canola trivia game.



## AG IN MOTION

SaskCanola and the Canola Council of Canada co-hosted a booth at Saskatchewan's newest outdoor tradeshow event, Ag in Motion. Plots and signage highlighted the canola calculator, blackleg, clubroot, and combine optimization tools. As well, Prairie Agricultural Machinery Institute staff were present midday to talk with growers about straight-cutting and storage.





# ADVOCACY REPORT

## GOALS:

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

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

## POLICY

As new issues arise throughout the year, SaskCanola determines how to ensure that canola producers' interests are articulated and advanced. On national issues, SaskCanola often provides a supporting role to the Canola Council of Canada and the Canadian Canola Growers Association. On provincial issues, SaskCanola has a direct relationship with the provincial government allowing the Commission to take a more active role on policy issues. SaskCanola also works with other provincial commodity organizations to ensure growers are effectively represented.



In 2017/18, SaskCanola was an active advocate for Saskatchewan canola growers in a number of areas:

- Climate change policy and carbon pricing
- Provincially led programs under Canadian Agricultural Partnership
- Taxation policy
- Business Risk Management program review
- Pest Management Regulatory Agency re-evaluation of neonicotinoids
- North American Free Trade Agreement negotiations
- Extension services
- Drainage regulations including representation on Water Advisory Committee

## LICENSE TO FARM

The *License to Farm* documentary that SaskCanola directed continues to draw an audience; with an impressive 145,000 views on YouTube since its launch in January of 2016. The film has provided SaskCanola a platform to address the issue of public trust and our intention is that the success of the film will encourage other agriculture organizations to fund and develop other initiatives that support farmers' social license.

## TEAM LAYCOCK

A three year partnership between the #1 Saskatchewan men's curling Team Laycock and SaskCanola wrapped in June of 2018. This partnership aimed to maintain and increase canola awareness across Canada. Team Laycock's apparel was adorned with the canola brand and the athletes, four Saskatchewan farm boys, talked with their fans about canola oil's health and nutritional benefits.

## SASKATCHEWAN AGRICULTURE HALL OF FAME

It is SaskCanola's distinct honour to congratulate Joan Heath on her induction into the Saskatchewan Agriculture Hall of Fame in April of 2017. Joan, her husband Corey Loessin, and their two children, Audra and Aidan, farm near Radisson SK with a focus on grains, pulses and oilseeds. Joan is the former Executive Director of the Saskatchewan Canola Growers Association, former SaskCanola Market Development & Communications Manager, and former SaskCanola board member, Vice-Chair, and Chair. Joan's been a strong advocate for the agricultural community and the canola industry for nearly 30 years. Thank you for your leadership and advocacy Joan.



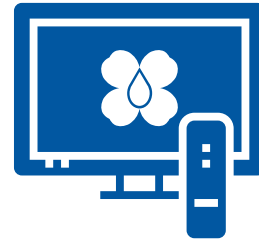


# CANOLA PROMOTION REPORT

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



Through Canola Eat Well for Life, SaskCanola has partnered to promote canola health and nutrition with Alberta Canola and Manitoba Canola Growers Association. Canola Eat Well is about inspiring you in the kitchen and connecting you the farm with Canada's oil, canola oil. Visit [CanolaEatWell.com](http://CanolaEatWell.com) to learn more.



## 23 MILLION

TELEVISION IMPRESSIONS WHERE AN INFLUENCER MENTIONED CANOLA OIL

### AGRICULTURE IN THE CLASSROOM

SaskCanola is a proud Superhero Sponsor of Agriculture in the Classroom Saskatchewan.

### AGRI-FOOD INNOVATION CENTRE

SaskCanola's \$550,000 investment in the Agri-Food Innovation Centre will provide opportunities to incorporate canola oil into new and innovative products that will increase the value and marketability of both canola oil and the end products created.





## FARM & FOOD CARE

SaskCanola is a Principal Member of Farm & Food Care Saskatchewan; and a sponsor of the Farm to Fork Tour and Taste of Saskatchewan's Chef Series programs. SaskCanola/Canola Eat Well also exhibited at a number of Farm & Food Care Ontario events to reach both influencers and consumers.



## DIABETES CANADA

SaskCanola sponsors the Diabetes Canada National Conference and exhibits at educational events in both Saskatchewan and Ontario.

## DIETITIANS OF CANADA

SaskCanola sponsored the welcoming reception, an undergraduate student award, and was a premium exhibitor at the Dietitians of Canada National Conference. 800 registered dietitians were in attendance. Charles Ko, enrolled in the dietetic program at Ryerson University, was the recipient of the student award.



SaskCanola was also involved in the following activities:

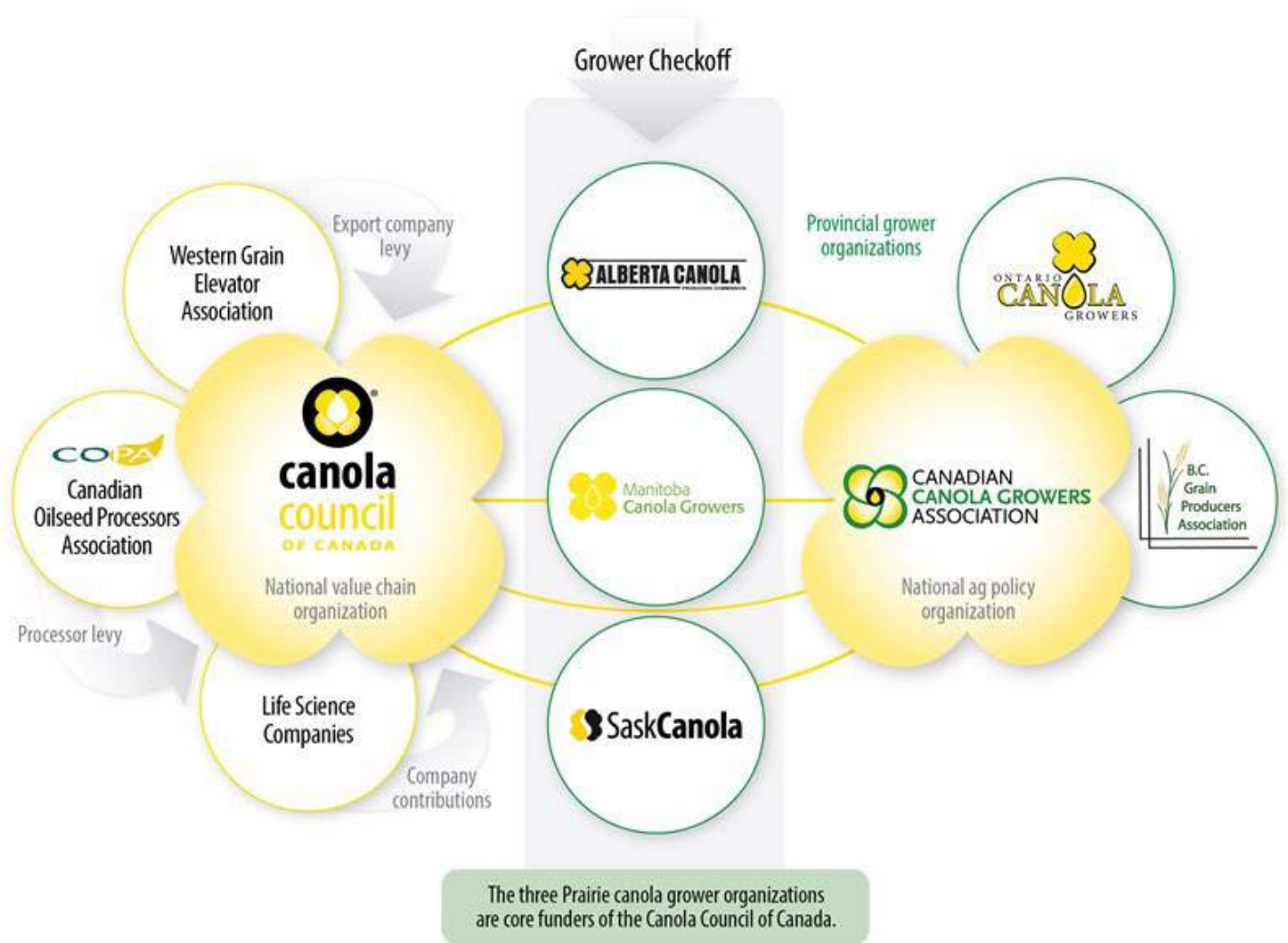
- SaskPolytechnic Saskatoon campus hosted a canola day
- The Calgary Stampede canola booth
- Dietitians of Canada Saskatchewan Research Day
- Saskatoon's Agriculture in the City
- Continuing Education Workshop for 70 Home Health Aides
- Platinum Sponsor of Saskatoon Folkfest
- Saskatchewan & Ontario Home Economics Associations' annual conferences
- Exhibited at the Restaurants Canada Show in Toronto



# 1,650

CUSTOMERS, RETAIL STAFF, AND REGISTERED  
DIETITIANS REACHED THROUGH RETAIL EVENTS HELD  
IN PARTNERSHIP WITH ONTARIO GROCERY STORES

# CANOLA VALUE CHAIN





# CANOLA COUNCIL OF CANADA REPORT

**CCC DIRECTOR ON BEHALF OF SASKCANOLA:**  
CHARLENE BRADLEY

**CCC DIRECTOR ON BEHALF OF CCGA:**  
GERRY HERTZ



## ABOUT CANOLA COUNCIL OF CANADA

Through the Canola Council of Canada (CCC), SaskCanola works with industry partners from across Canada to maximize the success and sustainability of canola. CCC's core funding comes from a voluntary industry levy paid directly to the Council by the three Prairie canola grower associations, processors, exporters as well as life science company contributions.

CCC's 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. CCC's goal is to ensure the industry's continued growth, demand, stability and success - achieving 52 bu/acre and 26 MMT by the year 2025.

## CROP PRODUCTION AND INNOVATION

The CCC agronomy team continued to bring all partners together to manage challenges in the field.

- Best management practices for clubroot were shared through meetings and workshops, including 22 held in Saskatchewan. CCC also planned the International Clubroot Workshop that drew 225 guests from 10 countries.
- The Combine Optimization Tool, Canola Variety Selection Guide, [canoladigest.ca](http://canoladigest.ca) and new brochures on clubroot and blackleg resistance were all introduced in 2017-18.
- CCC and SaskCanola collaborated on many events for growers and agronomists, including Ag in Motion, CanolaPALOOZA and CanoLAB, as well as the Blackleg Summit, attended by 70 top scientists from around the world.
- CCC coordinated more than \$3.3 million in agronomic, oil and meal research and presented the fifth annual Canola Discovery Forum during CanolaWeek in Saskatoon.



# CANOLA COUNCIL OF CANADA REPORT CONTINUED

## MARKET DEVELOPMENT

CCC continued to differentiate canola oil and meal in key markets – particularly China, where the potential for stable trade is growing.

- Canola meal was promoted in China through an e-newsletter, swine ration seminar, China Dairy Expo, animal industry magazines and a new demonstration trial with a large swine producer. CCC also hosted an influential Chinese delegation that traveled through Canada learning about the advantages of canola meal and how the crop is grown and processed.
- To promote canola oil in China, CCC held an educational event and meetings with several healthcare and dietitian associations. Consumer research completed in Beijing, Shanghai and South Korea has improved understanding of the market.
- Outreach to food professionals included a live webcast hosted by the Institute of Food Technologists and participation at the largest-ever conference and expo of the Academy of Nutrition and Dietetics. CCC also hosted the 21st annual Canola Camp, a program that has educated over 230 nutritionists, food professionals and media.
- Compelling new data supporting higher inclusion rates in livestock feed were shared through major industry events and articles in influential media.

## MARKET ACCESS AND TRADE

It was a busy year for trade negotiations and growing our access to international markets. CCC brought the value chain together on key issues and achieved results that kept markets open.

- In Beijing, the first official Canola Dialogue took place, initiating a new relationship with Chinese importers. CCC and federal officials continue to make progress on the agreement for stable exports to China that expires in March 2020.
- Through our leadership at the Canadian Agri-Food Trade Alliance, the CCC was represented at every round of NAFTA negotiations.
- During the year, CCC's advocacy for the Comprehensive and Progressive Agreement for Trans-Pacific Partnership bore fruit. Canada signed the agreement in March and implementing legislation was introduced in the House of Commons in June. Once approved by Parliament, we will benefit from increased access to Asia-Pacific markets like Japan.
- In Canada, the CCC brought the value chain together on the introduction of new pesticides. The result was clear communication with growers about export risks and pesticides that could impact delivery options.
- The Keep it Clean campaign gained momentum with the support of partners Cereals Canada and Pulse Canada. [Keepingitclean.ca](http://Keepingitclean.ca) is now a one-stop information source.
- Proposed bans on neonicotinoids and lambda-cyhalothrin were top regulatory concerns. CCC was active with regulators and government officials to support evidence-based decisions – co-leading a large-scale water monitoring program providing invaluable information for regulatory decisions.

By the end of 2017/18, the Board was close to completing a review of CCC's evolving role in the canola sector. These findings will help shape CCC's mandate, work plan and budget for 2019 and beyond. I am honoured to be your voice at the table as these decisions are made.  
-Charlene Bradley, CCC Director on behalf of SaskCanola

# CANADIAN CANOLA GROWERS ASSOCIATION REPORT

CCGA DIRECTORS ON BEHALF OF SASKCANOLA:  
GERRY HERTZ, BERNIE MCCLEAN & DOYLE WIEBE



## ABOUT CANADIAN CANOLA GROWERS ASSOCIATION

The Canadian Canola Growers Association (CCGA), is a farmer-led organization with 10 board members representing five provincial canola associations (including SaskCanola). CCGA's vision is *helping farmers succeed through their mission to influence national and international issues, programs and policies to enhance the success of Canadian canola farmers.*

CCGA aims to achieve this through three areas of business:

1. Administering the Advance Payments Program (APP);
2. Undertaking policy development on issues affecting canola farmers, including transportation, trade, risk management, sustainability, crop inputs, and more;
3. Advocating for grower interests through direct representation to parliamentarians, legislators and government officials.

## CASH ADVANCES, CASH FLOW SOLUTIONS TO 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 issues advances to farmers in all four western provinces on 45 commodities, including all grains, oilseed and pulse crops, as well as both major and minor livestock across the western provinces. The program, which benefits both new and established farms, offers unique benefits to farmers, including low interest rates and marketing flexibility.



# CANADIAN CANOLA GROWERS ASSOCIATION REPORT CONTINUED

## THE NATIONAL VOICE OF CANADA'S CANOLA FARMERS

Decisions made by parliamentarians directly affect farmers, so it is vitally important that we build their understanding of agriculture and Canada's canola industry. CCGA's Ottawa-based government relations and Winnipeg-based policy development teams work in concert to bring the voice of Canadian canola farmers to the forefront of agricultural policy discussions at the national and international level across priority areas including transportation, trade, business risk management, farm taxation, biofuels, sustainability, crop inputs such as neonics, and more.

A key element of CCGA's government advocacy work is a lobby day that is held on Parliament Hill every fall where representatives of CCGA and Canola Council of Canada hold meetings with Members of Parliament to discuss priority issues for the canola industry. The November 7, 2017 reception, themed *Canola: On Track to New Heights*, hosted 125 attendees including Canada's Minister of Agriculture and Agri-Food, Lawrence MacAulay, who addressed the reception.

## REPRESENTING CANOLA AT NATIONAL AND INTERNATIONAL LEVELS

CCGA is a member of these national organizations: Canada Grains Council, Grain Growers of Canada, Canola Council of Canada, and the Canadian Agri-Food Trade Alliance.

CCGA represents canola growers on these national committees: Ag Growth Coalition, Ag Transport Coalition, Grains Value Chain Roundtable, Canadian Roundtable for Sustainable Crops, Crop Logistics Working Group, Coalition of Rail Shippers, Commodity Supply Chain Table, Grains Value Chain Roundtable, PMRA Grower Requested Own Use program, Western Grains Standards Committee, and the Western Grains Research Foundation.

CCGA carries canola farmers' position to an international level through its participation in both the Oilseed Producers Dialogue and the International Agri-Food Network.



## AGRICULTURE POLICY MILESTONES

**TRADE:** Canola is an export dependent crop so maintaining a vibrant export market is essential for canola farmers. In 2017-18, CCGA focused on three main areas: the Comprehensive and Progressive Trans-Pacific Partnership, the North American Free Trade Agreement, and advocacy for a deepened trading relationship through a Canada-China free trade agreement.

**TRANSPORTATION:** Improving rail service is a top priority for farmers. In 2017-18, CCGA focused on improving and promoting Bill C-49, the Transportation Modernization Act, and achieving passage as soon as possible. CCGA continues to take a leadership role on this file, co-chairing the Crop Logistics Working Group (CLWG), and supports the work on the Ag Transport Coalition, which publishes daily and weekly railway performance metrics.

**CROP INPUTS UNDER REVIEW:** This past year saw the Pest Management Regulatory Agency (PMRA) undertake assessments on two common seed treatments used in canola and other crops known as neonicotinoids. PMRA preliminary decisions proposed phasing out all outdoor use of clothianidin and thiamethoxam. CCGA and other partners developed a strategy to address the proposed decisions including conducting research to explain the importance of these products to canola farmers, and their positive impact, to maintain their usage.

**SUSTAINABILITY:** Climate, environment and sustainability are important issues for government and the public. This year, CCGA with CCC set forward-looking targets for sustainability that build on past performance. CCGA has produced a canola sustainability fact sheet *Canola: Building a Sustainable Future*, accessible at [www.ccg.ca](http://www.ccg.ca)

**BUSINESS RISK MANAGEMENT:** CCGA is a member of the AgGrowth Coalition. The coalition was successful in getting support for a national review of Canada's suite of business risk management programs; including an assessment of current programs as well as potential alternatives.

**FARM TAXATION:** CCGA engaged third party experts to assist in its assessment of the federal government's plan to significantly change taxation rules impacting farmers. The proposed changes had potential to directly impact how family members are paid, existing and future succession planning and the ability to accumulate capital reserves within the farm. Because of submissions by CCGA and others, the proposed changes were cancelled or altered significantly.

## CANOLA MARKETING RESOURCES

CCGA has developed a number of resources to help canola farmers market their canola. Two videos *Canola Dockage Assessment Process for Farmers* and *Canola Dockage Basics for Farmers* help farmers understand how dockage is assessed and the impact on their bottom line. *Know Your Colours* is a fact sheet that helps farmers understand how green and heated seeds are assessed at the elevator. All these resources and more are available at [www.KnowYourGrade.ca](http://www.KnowYourGrade.ca)

# TWIGG & COMPANY

CHARTERED PROFESSIONAL ACCOUNTANTS

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## Independent Auditors' Report

### To the Board of Directors of 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, 2018 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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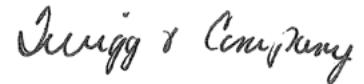
## **Basis for qualified opinion**

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, 2018, current assets as at July 31, 2018 and July 31, 2017, and net assets at both the beginning and end of the July 31, 2018 and July 31, 2017 years. The audit opinion on the financial statements for the year ended July 31, 2017 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, 2018 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 29, 2018  
Saskatoon, Saskatchewan



**Chartered Professional Accountants**



# Saskatchewan Canola Development Commission

## Statement of Financial Position


### As at July 31, 2018

	July 31, 2018	July 31, 2017
<b>Assets</b>		
<b>Current assets</b>		
Cash	24,601	90,190
Short-term investments (note 5)	1,551,709	1,822,990
Accounts receivable (note 3)	784,404	1,338,361
Deposits and prepaid expenses	22,067	11,433
Current portion of loans receivable (note 4)	6,714	6,550
	<u>2,389,495</u>	<u>3,269,524</u>
<b>Loans receivable (note 4)</b>	43,961	50,675
<b>Investments (note 5)</b>	4,371,424	3,851,578
<b>Capital assets (note 6)</b>	143,493	196,227
	<u>6,948,373</u>	<u>7,368,004</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 7)	702,523	812,508
	<u>702,523</u>	<u>812,508</u>
<b>Net Assets</b>		
<b>Invested in capital assets</b>	143,493	196,228
<b>Internally restricted (note 8)</b>	2,100,000	2,100,000
<b>Unrestricted</b>	4,002,357	4,259,268
	<u>6,245,850</u>	<u>6,555,496</u>
	<u>6,948,373</u>	<u>7,368,004</u>

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, 2018

	Invested in capital assets	Internally restricted	Unrestricted	2018 Total	2017 Total
	\$	\$	\$	\$	\$
<b>Balance – Beginning of year</b>	196,227	2,100,000	4,259,269	6,555,496	5,454,923
<b>Increase to internally restricted reserves</b> (note 8)	-	-	-	-	-
Excess (deficiency) of revenue over expenses for the year (see note below)	(52,734)	-	(256,912)	(309,646)	1,100,573
Purchase of equipment	-	-	-	-	-
<b>Balance – End of year</b>	143,493	2,100,000	4,002,357	6,245,850	6,555,496

**Note: Consists of:**

Depreciation	52,635
Asset disposal	99

See accompanying notes to the financial statements

## Saskatchewan Canola Development Commission

### Statement of Operations

For the year ended July 31, 2018

	<b>Budget 2018</b>	<b>Actual 2018</b>	<b>Actual 2017</b>
	\$	\$	\$
	<i>(note 10)</i>		
<b>Revenue</b>			
Producer levy <i>(note 11)</i>			
Levy	7,800,000	7,460,193	7,784,847
Refunds	(546,000)	(580,212)	(519,412)
Net	7,254,000	6,879,981	7,265,435
Interest income	120,600	121,147	106,457
Project contributions	445,538	501,494	717,467
Other income	20,000	-	-
	<hr/>	<hr/>	<hr/>
	7,840,138	7,502,622	8,089,359
<b>Expenses</b>			
Research and development <i>(note 12)</i>	3,656,967	3,411,663	2,430,346
Canola Council of Canada core funding <i>(note 13)</i>	1,776,000	1,453,087	1,891,011
Market development	446,000	413,410	440,296
Communications	1,214,800	1,042,737	837,461
Policy	71,500	31,856	40,473
Governance	222,000	196,019	212,967
Salaries and benefits	733,094	822,647	676,027
General and administration	386,573	388,214	417,961
Depreciation	62,000	52,635	42,244
	<hr/>	<hr/>	<hr/>
	8,568,934	7,812,268	6,988,786
<b>Excess (deficiency) of revenue over expenses for the year</b>	<hr/>	<hr/>	<hr/>
	(728,796)	(309,646)	1,100,573

See accompanying notes to the financial statements



## Saskatchewan Canola Development Commission

### Statement of Cash Flows

For the year ended July 31, 2018

	2018	2017
	\$	\$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Receipts from producers	7,706,540	7,447,757
Receipts of interest and other income	924,209	629,911
Payments of research and development projects, and scholarships	(3,538,594)	(2,369,705)
Payments to board of directors	(208,506)	(205,019)
Payments to producers	(533,924)	(462,894)
Payments to suppliers and employees	(4,171,797)	(4,274,129)
	<u>177,928</u>	<u>765,921</u>
<b>Investing activities</b>		
Purchase of capital assets	-	(144,974)
Proceeds from disposal of capital assets	99	-
Purchase of investments	(2,917,361)	(3,992,182)
Proceeds from disposals of investments	2,673,745	3,245,815
	<u>(243,517)</u>	<u>(891,341)</u>
<b>Increase (decrease) in cash</b>	(65,589)	(125,420)
<b>Cash – Beginning of year</b>	90,190	215,610
<b>Cash – End of year</b>	<u>24,601</u>	<u>90,190</u>

See accompanying notes to the financial statements

# Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

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## 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.

# Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

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## 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, 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 and accrued liabilities 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 accrued liabilities and the useful lives of property, plant and equipment.



## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

### 3 Accounts receivable

The accounts receivable balance consists of the following:

	<b>2018</b>	<b>2017</b>
Levy receivables	\$ 768,822	\$ 1,015,168
Grants receivable	10,467	306,739
Other receivables	5,115	16,454
	<b>\$ 784,404</b>	<b>\$ 1,338,361</b>

### 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:

	<b>July 31, 2018</b>	<b>July 31, 2017</b>
Balance, beginning of year	57,225	63,616
Payments during year	(7,981)	(7,981)
Effective interest	1,431	1,590
	50,675	57,225
Less: current portion	6,714	6,550
<b>Balance, end of year</b>	<b>43,961</b>	<b>50,675</b>

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

2019	6,714
2020	6,882
2021	7,054
2022	7,230
2023	7,411
Thereafter	15,384
	<b>50,675</b>

## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

## 5 Investments

	2018		2017	
	Years to maturity	Market value	Yield to maturity	Market value
<b>Short-term</b>				
Guaranteed investment certificates	1	\$ 1,778,347	1.45 – 3.00%	\$ 1,648,692
Cash and cash equivalents	-	(226,638)	-	174,298
		<b>\$ 1,551,709</b>		<b>\$ 1,822,990</b>
<b>Long-term</b>				
Guaranteed investment certificates	1-2	\$ 3,185,745	1.71% - 2.86%	\$ 2,941,298
Bonds and notes	2-5	1,185,679	2.10% - 4.50%	910,280
		<b>\$ 4,371,424</b>		<b>\$ 3,851,578</b>

## 6 Capital assets

			July 31, 2018	July 31, 2017
	Cost	Accumulated amortization	Net	Net
	\$	\$	\$	\$
Equipment and furniture	210,044	177,079	32,965	53,819
Leasehold improvements	165,508	54,980	110,528	142,408
	<b>375,552</b>	<b>232,059</b>	<b>143,493</b>	<b>196,227</b>

## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

### 7 Accounts payable and accrued liabilities

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

	<b>2018</b>	<b>2017</b>
Trade payables	\$ 104,697	\$ 105,516
Research payables	19,658	152,979
Levy refunds payable	564,000	517,712
Wages payable	14,168	36,301
	<b>\$ 702,523</b>	<b>\$ 812,508</b>

### 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.

	<b>July 31, 2018</b>	<b>July 31, 2017</b>
Revenue stabilization reserve	<b>\$</b>	<b>\$</b>
Balance – beginning and end of year	1,200,000	1,200,000
Balance- end of year	1,200,000	1,200,000
Organizational closure reserve		
Balance – beginning and end of year	900,000	900,000
	900,000	900,000
Internally restricted net assets	2,100,000	2,100,000



## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

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### 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:

<b>Year ending July 31:</b>	
2019	\$ 2,239,721
2020	1,384,693
2021	647,111
2022	93,212
2023 and thereafter	32,000

Other commitments include commitments for communication, market development expenses, and administration expenses. Amounts committed to these activities in each of the next 5 years are as follows:

<b>Year ending July 31:</b>	
2019	\$ 163,000
2020	27,000
2021	29,000
2022	32,000
2023 and thereafter	-

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:

<b>Year ending July 31:</b>	
2019	\$ 95,770
2020	97,505
2021	98,992
2022	8,260

## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

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### 10 Budget

The budget presented is unaudited. The SaskCanola board of directors approved the 2018 fiscal year budget on June 16, 2017.

### 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

	<i>Budget</i>	<b>2018</b> <i>Actual</i>	<b>2017</b> <i>Actual</i>
	\$	\$	\$
New projects	<i>1,500,000</i>		
Agronomic research		1,204,494	195,174
Germplasm development		188,563	257,563
Usage research		92,844	126,645
Continuing projects			
Agronomic research	<i>834,913</i>	807,091	637,506
Germplasm development	<i>1,032,586</i>	1,002,068	883,491
Usage research	<i>159,468</i>	66,624	35,680
Other research	<i>130,000</i>	49,979	294,287
	<i>3,656,967</i>	3,411,663	2,430,346

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## Saskatchewan Canola Development Commission

Notes to Financial Statements

July 31, 2018

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### 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 \$0.15 (2017 - \$0.23) per tonne of net levy collected in the prior year. SaskCanola’s current year payment is based on 9,687,247 tonnes (2017 – 8,221,787).

### 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:

	<b>2018</b>	<b>2017</b>
	\$	\$
Expenses		
Research and development projects	371,479	318,893
Market development	16,833	10,750
Scholarships (Communications)	82,000	82,000
Revenue		
Project contributions	-	100,000



## Saskatchewan Canola Development Commission

Notes to Financial Statements

**July 31, 2018**

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### 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 48% (2017 48%). 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 expires June 30, 2019.

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 2018 as was the case in 2017. All parties agreed to leave the surplus and carry it forward for the 2018/19 operating year.

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Current assets	-	-
Current liabilities	-	-
Net assets	-	-
Revenues	209,511	228,073
Expenses	195,068	200,823
Net income (loss)	14,443	27,250

# Saskatchewan Canola Development Commission

Notes to Financial Statements

**July 31, 2018**

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## 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, 2018, three customers accounted for 60.35% (69.93% - 2017) 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.

# TWIGG & COMPANY

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## AUDITORS' REPORT

### To the Board of Directors of Saskatchewan Canola Development Commission:

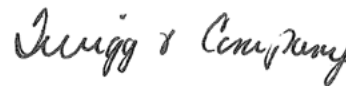
We have made an examination to determine whether the Saskatchewan Canola Development Commission complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities during the year ended July 31, 2018.

- 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, 2018.

October 29, 2018  
Saskatoon, Saskatchewan



Chartered Professional Accountants

**TWIGG & COMPANY**

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FACSIMILE (306) 244-0004[www.twiggandcompany.com](http://www.twiggandcompany.com)**INDEPENDENT AUDITORS' REPORT****To the Board of Directors of Saskatchewan Canola Development Commission:**

We have audited SaskCanola's control as of July 31, 2018 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 Saskatchewan Canola Development Commission:**

(continued from previous page)

We used the control framework developed by The Canadian Institute of Chartered Professional Accountants ("CPA") 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.

The CPA 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 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, 2018 based on the CPA criteria of control framework.

**TWIGG & COMPANY**  
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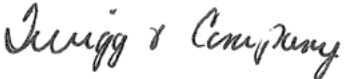
**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of 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, 2018, 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 29, 2018, which is the same date as the date of the report on the effectiveness of internal controls.

October 29, 2018  
Saskatoon, Saskatchewan

  
Chartered Professional Accountants

# BOARD OF DIRECTORS



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**WAYNE TRUMAN**  
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# COMMITTEES

## AUDIT

Chair: Charlene Bradley  
Members: Keith Fournier & Lane Stockbrugger

## CANOLA PROMOTION & ADVOCACY

Chair: Charlene Bradley  
Members: Lane Stockbrugger, Wayne Truman & Doyle Wiebe

## GOVERNANCE

Chair: Lane Stockbrugger  
Members: Charlene Bradley, Bernie McClean & Wayne Truman

## NOMINATIONS

Chair: Wayne Truman  
Members: Keith Fournier, Gerry Hertz & Doyle Wiebe

## POLICY & PRODUCER RELATIONS

Chair: Keith Fournier  
Members: Gerry Hertz, Bernie McClean & Doyle Wiebe

## RESEARCH

Chair: Bernie McClean  
Members: Keith Fournier, Gerry Hertz & Wayne Truman



# STAFF











# SaskCanola

Saskatchewan Canola Development Commission