



# ANNUAL REPORT 2022-23



# Table of Contents

About Us .....	3
Chair Message.....	5
Executive Director Message .....	6
2022-23 Research Investments.....	7
2022-23 Advocacy Highlights.....	8
2023 Scholarship Recipients.....	9
Partner Updates .....	10
Canadian Barley Research Coalition.....	11
Barley Council of Canada .....	11
Canadian Malting Barley Technical Centre .....	12
Canadian Food Focus Barley Campaign .....	13
Extension.....	15
BarleyBin Initiative Highlights .....	15
Communications .....	17
Financials .....	18





## About Us

Founded in 2013, the Saskatchewan Barley Development Commission (SaskBarley) operates under an elected Board of Directors representing producers from all corners of Saskatchewan. SaskBarley provides significant benefits to its registered producers by strategically managing investments in research, market development, communication and advocacy initiatives. These strategic investments aim to enhance barley production and value, improving outcomes for both producers and consumers alike.

### VISION STATEMENT

Barley is a long-term, profitable and internationally competitive crop choice for Saskatchewan producers.

### MISSION STATEMENT

To identify, develop and support research, market development and extension initiatives that establish long-term, profitable and sustainable barley production for Saskatchewan producers.

# Board of Directors



**Keith Rueve** / Chair  
306.231.7420



**Matt Enns** / Vice-Chair  
306.717.6099



**Maurice Berry** / Director  
306.452.7504



**Zenneth Faye** / Director  
306.272.7080



**Cody Glenn** / Director  
306.293.7525



**Glenn Wright** / Director  
306.493.3023

## Guiding Principles

- Maintaining and enhancing Saskatchewan's brand for quality.
- Communicating best management practices for barley production.
- Demonstrating transparency and good governance.
- Building and sustaining collaborative relationships with organizations that share common objectives.
- Identifying and leveraging available resources.
- Maintaining an organization that is nimble and responsive to issues affecting Saskatchewan barley producers.

## Staff



**Jillian McDonald**  
Executive Director  
306.370.7237



**Mitchell Japp**  
Research and Extension Manager  
306.535.4536



**Cole Christensen**  
Communications Manager  
306.250.1099

SaskBarley is a producer-elected and -directed commission. The board is composed of six registered barley producers that are elected for a four-year term.



# Chair Message

The past year has brought a variety of conditions for Saskatchewan barley growers. The 2022 harvest brought much needed relief to many barley growing areas, after the 2021 drought.

Planting in 2023 had decent moisture conditions in many, but not all areas. Some, especially the southwest, continue to struggle with long-term drought.

Consistent with the improved conditions in 2022, the yield and production returned to more normal levels, despite a decrease in seeded area from 2021. Supplies were no longer quite so tight, and stocks strengthened, reaching 5,072 million tonnes at the end of 2022.

At SaskBarley, we know that these increases in yield and production are supported by investments in research and access to new varieties. That is why SaskBarley's top priority is the strategic investment in research. Our stated goal each year is to invest over 65 percent of our annual budget into research for this very reason. This year I am pleased to say that we reached and exceeded this goal with 66 percent of our expenses invested in research activities.

With direct investment in research at \$8.5 million to date, and leveraged investments totaling \$60 million over the past decade, significant advancements in barley research are just getting started. During the year, SaskBarley initiated the Grant for Research Optimization of Western Barley Agronomy (GROW Barley). In partnership with other barley organizations, this initiative has over \$1.5 million committed from industry to advance barley agronomy and will be managed by the Canadian Barley Research Coalition.

SaskBarley has also increased funding commitments to the new SCAP Barley Cluster (2023-2028), a strategic move to strengthen barley research in Western Canada. This initiative enhances our research potential and strengthens our

industry's partnerships within the value chain.

SaskBarley is committed to collaboration to address the meaningful issues affecting our sector. Over this past year, a key focus of our efforts has been addressing the varietal purity of malting barley. Strong efforts among the barley industry, including valued leadership by the Canadian Malting Barley Technical Centre (CMBTC) and technical expertise by the Canadian Grain Commission, identified inconsistencies in testing methods across the industry, leading to inaccurate results for certain barley varieties. In response, SaskBarley swiftly advocated for enhanced testing methods and establishment of a proficiency protocol, which launched in fall 2023.

As I complete the end of my second term with SaskBarley and my final year as Chair, I want to thank you for your investment in our provincial barley commission. We are only as good as our members, and I know the new directors that will take office in January 2024 will continue to grow the Canadian barley industry and be strong advocates for Saskatchewan barley farmers.



**Keith Rueve**  
Chair





# Executive Director Report



Over the past year, SaskBarley funded researchers successfully completed a number of projects. In addition, SaskBarley is currently funding 43 active research projects, contributing to the advancement of barley in our province.

Collaborations with other commissions and research organizations resulted in a robust research portfolio, delivering an impressive return on investment. For every dollar invested in variety development research, a substantial \$26 is returned to producers through improved varieties and increased yields.

Our success is measured by the impact we make. Advocacy was a major focus this year, balancing 11 policy priorities and engaging in over 100 sessions with government, regulators and stakeholders. With policy issues taking centre stage, we joined forces with fellow commodity organizations within SaskCrops. This unified voice became a strong industry advocate, addressing concerns about the environment, climate change policies and continuing discussions on improvements to grain contracts. The collaborative effort amongst the SaskCrops groups is an excellent vehicle to advance the unique impacts faced by Saskatchewan farmers due to different policy decisions.

Our engagement with Saskatchewan farmers goes beyond the field and the boardroom. SaskBarley's monthly e-newsletter reaches more than 1,600 subscribers with a 38.6 per cent average open rate, surpassing industry standards by 20 per cent. The BarleyBin podcast surged in popularity, with a 104 per cent increase in users and a 236 per cent increase in page views. A total of 367 episode downloads underlines the community's hunger for different ways to consume barley knowledge and news from trusted sources. Our BarleyBin Live events, initially transitioning

online due to an early winter blizzard, successfully streamed to over 100 eager viewers. Despite the shift, the rescheduled event in North Battleford attracted dozens of attendees in person.

Always on the look out for innovative arrangements, we co-located with SaskCanola and SaskFlax in January 2023. This shared arrangement, which leverages efficiencies through shared administrative and financial staff for the commissions, has already resulted in improved administrative practices for all the groups. Our hybrid work environment continues with the rest of staff for research and communications working remotely across the province.

In closing, SaskBarley's strategic investments and commitment to research, market development and advocacy, positions us as a leader in advancing the interests of Saskatchewan barley farmers. We look forward to continuing our journey and contributing to the success of the barley industry in the upcoming fiscal year. Here's to another year of growth, innovation and success.

A blue ink signature of Jill McDonald.

Jill McDonald

Executive Director

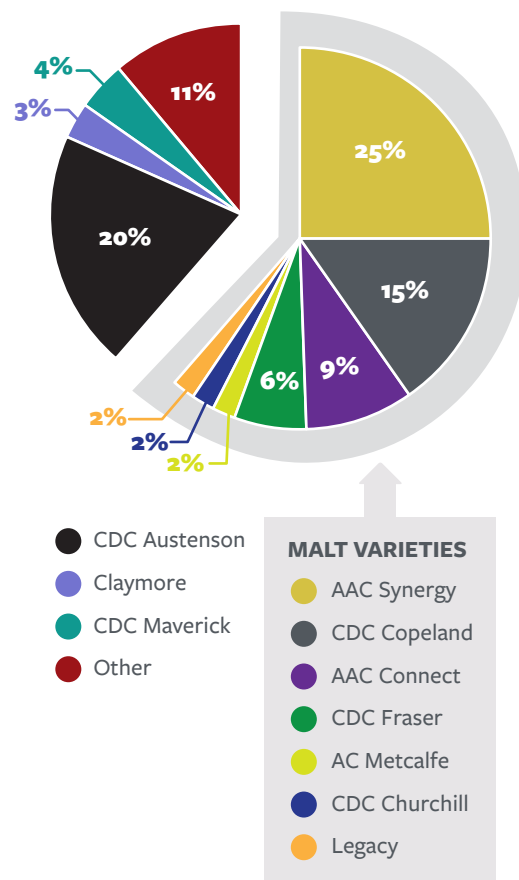
# 2022-23 Research Investments

## RESEARCH COMMITMENTS 2022-23

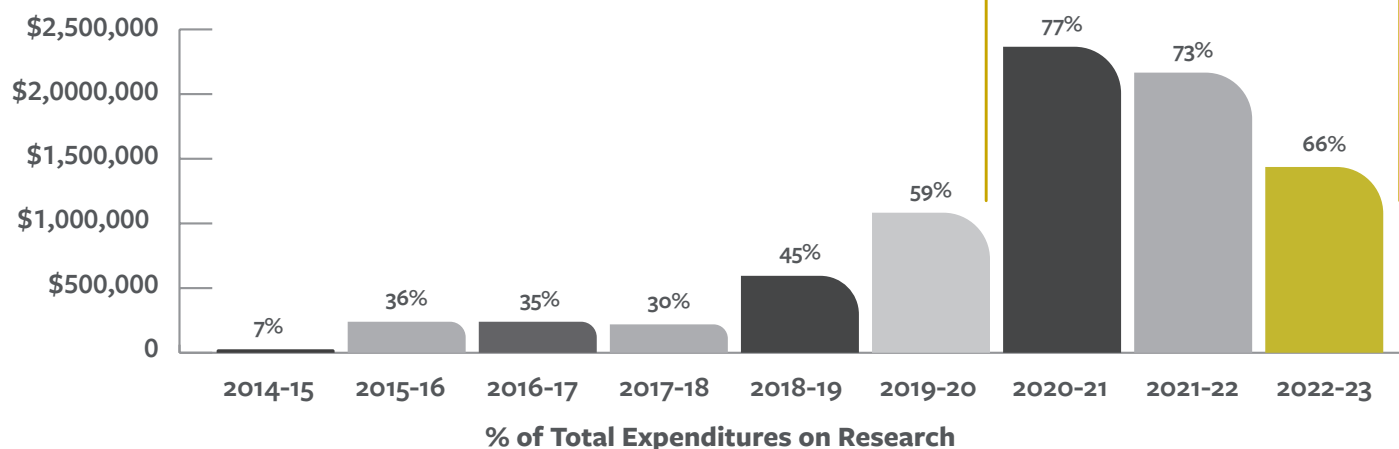
PROJECT	PRINCIPLE INVESTIGATOR	SASKBARLEY COMMITMENT	PROJECTED END DATE
Do barley varieties differ in response to N fertility, PGR and fungicide?	Mike Hall	\$93,580	2024
Development of ZoomAgri AI technology for varietal purity testing in Canada	Peter Watts	\$60,000	2023
Improving barley salinity tolerance and functional quality by characterizing root, GABA and gene expression responses	Dr. Pankaj Bhowmik	\$74,297	2027
Identifying microbial inocula to increase salt tolerance in barley	Dr. Jonathan Bennett	\$36,024	2026
Searching for resistance to bacterial leaf streak in wheat (Triticum spp.) and barley (Hordeum spp.)	Dr. Randy Kutcher	\$43,891	2026
Understanding the stochastic impacts of Fusarium head blight (FHB) in wheat and barley	Dr. Gurcharn Brar	\$28,750	2024
BarleyBin Field Lab: Seeding Rates	Christiane Catellier	\$12,649	2024
Processing barley grain with variable kernel size	Dr. Greg Penner	\$118,266	2027
<b>TOTAL</b>		<b>\$467,457*</b>	

\*For every \$1 SaskBarley committed in 2022-23, another \$5 is invested in those projects from other sources.

## BARLEY VARIETIES IN SASKATCHEWAN 2023



## TOTAL RESEARCH EXPENDITURES



# Advocacy

## VARIETAL PURITY

The issue of varietal purity in malting barley came to the forefront of the industry in late 2022. A marked increase in the number of malting barley samples delivered at elevators falling below the 95 per cent varietal purity specification required was noted, specifically in CDC Copeland. With the leadership of the Canadian Malting Barley Technical Centre (CMBTC) and collaborative work across the value chain from industry growers and scientists, the Canadian Grain Commission (CGC) issued a public statement on March 3, 2023. This statement revealed the identification of an undesigned DNA profile within CDC Copeland samples and discrepancies in the accuracy of the various DNA based testing methods used across the industry for certain varieties.

The presence of the undesigned variety has been noted at low levels by CGC for several years, but in 2022, levels reached up to 17.4 per cent in some CDC Copeland grower samples. Communication on May 3, 2023, from the Canadian Food Inspection Agency (CFIA), following their analysis of breeder seed samples for CDC Copeland, indicated that the undesigned genetic profile has been present in CDC Copeland since the original reference seed control sample


approximately 20 years ago.

Further work by the CGC Grains Research Lab (GRL) released on May 4, 2023, indicated that in samples with high levels of the undesigned profile, there are no observable distinguishing differences in the physical grain characteristics, composition, malting performance and malting quality compared with samples of CDC Copeland.

The results of the analyses from CGC and CFIA clearly indicated the undesigned variety is part of CDC Copeland and should be identified as such in any future DNA-based testing method.

At the request of SaskBarley and other grower groups, CGC has since developed a proficiency testing program to support the sector. The proficiency test involves CGC shipping blinded DNA samples to participating companies to perform DNA tests and identify the variety or level of purity, depending on the method being used. The results are then reported back to CGC and compared with the actual identities and/or purity values to determine competency. The first results are available at: <https://grainscanada.gc.ca/en/grain-research/grl/proficiency-testing/barley/>.

SaskBarley continues to communicate the importance of varietal purity in malt barley production to growers.



**Varietal purity is a cornerstone of premium malting barley.**

**Malting and grain companies buying malting barley require a minimum 95% varietal purity specification on malting barley deliveries.**

**Producers have an important role in ensuring varietal purity in Canadian malting barley.**

## CANADA'S QUALITY BRAND

*Varietal purity to end-users is critical to Canada's premium value proposition.*

Canada's reputation for quality malting and malted barley is our brand. It is based on our world-class malting barley varieties, safe and efficient production methods, and robust quality assurance systems.

## IMPORTANCE OF VARIETAL PURITY TO MALTSTERS

Maltsters require malting barley with a high percentage of varietal purity to make a consistent, high-quality finished product. Each malting barley variety has different barley quality and malting performance characteristics.

## IMPACT OF INSUFFICIENT VARIETAL PURITY ON PRODUCERS

Grain and malting companies are increasingly using genetic testing to confirm varietal purity in samples delivered by producers. Samples of malting barley that are found to have less than the minimum 95 per cent varietal purity are likely to be discounted, eroding malting premiums over feed, or may be rejected for malt.



## Advocacy (cont.)

### COLLABORATION

- Six Saskatchewan crop commissions began working collaboratively in 2021 to advocate on behalf of Saskatchewan annual crop producers on broad policy issues under the banner SaskCrops: SaskBarley, SaskCanola, SaskFlax, SaskOats, Saskatchewan Pulse Growers and Sask Wheat. Over the past year, SaskCrops has advocated on environmental policy, as well as other policy issues of importance to Saskatchewan crop producers, such as imbalances in grain contracts and export sales reporting.
- SaskCrops participated in 15 meetings over the past year with federal and provincial government officials, advocating on behalf of Saskatchewan annual crop producers.
- To view all SaskCrops submissions, please visit our website at [saskcrops.com/policy](https://saskcrops.com/policy).

### RESEARCH FUNDING

- Smaller crops such as barley are uniquely impacted by reduced research funding, particularly around variety development. In addition to SaskBarley, the Canadian Barley Research Coalition (CBRC) has been an active voice in advocating for continued funding of public variety development programs in Canada. A notable area of achievement this past year was increased industry funding commitments for the National Barley Research Cluster. CBRC has continued conversations with federal and provincial governments about the risk of reduced funding for variety development.

### TRADE POLICY AND GOVERNMENT RELATIONS

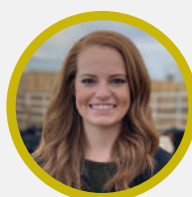
- SaskBarley's new membership in Cereals Canada leverages valued leadership on cross-sector cereals issues, such as trade policy and government relations.

### MARKET ACCESS

- Working in collaboration with national groups, including CMBTC, Cereals Canada and CGC, SaskBarley continues to advocate for producers on issues such as maximum residue limits (MRLs) and access to markets. In terms of key identified issues this year, Canada resumed access to Saudi Arabia for barley deliveries with more to come.

# 2023 SCHOLARSHIP RECIPIENTS

Each year, SaskBarley offers scholarships as an investment in promising students who are carrying out university-level research focused on barley. Meet our 2023 recipients:



**JENNA SALMON**  
UNDERGRADUATE RECIPIENT  
University of Saskatchewan

*Barley composition and its impacts on nutrient digestion in cattle.*



**SUMA GHOSH**  
PHD RECIPIENT  
University of Saskatchewan

*Enhancing barley salinity tolerance by inoculating adapted microbes.*



**NATHAN GYAN**  
PHD RECIPIENT  
University of Saskatchewan

*Unlocking the potential of carabid beetles as biocontrol for weed seeds in barley production systems.*



**ASHLYN MOONEY**  
MSC RECIPIENT  
University of Saskatchewan

*Improving barley salinity tolerance by characterizing root and shoot responses.*



**CATHERINE SEIDLE**  
MSC RECIPIENT  
University of Saskatchewan

*Addressing challenges posed by variable kernel size in feed-grade barley.*

# Partner Updates

## NATIONAL BARLEY CLUSTER 2018-2023

The Barley Council of Canada (BCC) was the administrator of the National Barley Cluster under the federal government's Canadian Agricultural Partnership (CAP) AgriScience Program on behalf of Canadian barley industry funders from 2018-2023. The \$10.2 million dollar research Cluster included investment by Agriculture and Agri-Food Canada (AAFC), barley producers and industry funders for 12 research activities across Canada. The activities consisted of variety development, agronomic productivity, disease resistance, quality and performance and sustainability.

Ten new varieties of malt, feed and food barley with improved traits for yield, lodging, disease resistance and end-use quality were registered during the cluster, with additional promising varieties in the pipeline. These developments will translate to increased profits for producers, keeping barley a competitive cropping option and contributing to a diverse crop rotation. The advances in agronomics and best management practices from cluster research will also go a long way

to support these new varieties by optimizing germplasm potential and maximizing input efficiency.

Upstream research to support the development of new varieties was achieved and validated during the cluster, reducing the time and resources required to develop germplasm. Canadian barley supports many end-use applications, including the brewing, malting and distilling industries, diverse livestock feed applications and food ingredients. The CAP National Barley Cluster addressed some end-use quality factors, such as preventative methods for premature yeast flocculation in brewing, variety and location effects on flavours and aromas of new malting barley varieties in beer, and the incorporation of barley in diets for the swine feed industry.

For a complete list and description of the CAP National Barley Cluster research activities and to access links to the Building Better Barley magazine, brochures, podcasts, research highlights and research videos, visit: [barleyresearch.ca](http://barleyresearch.ca).

## Thank you to our funders

Conseil de  
l'orge du  
Canada



Barley  
Council of  
Canada

CANADIAN  
AGRICULTURAL  
PARTNERSHIP

Canada



CFCRA  
CANADIAN FIELD CROP  
RESEARCH ALLIANCE

ARCCC  
ALLIANCE DE RECHERCHE SUR LES  
CULTURES COMMERCEABLES DU CANADA

CFCRA members with an interest  
in barley include:







## CANADIAN BARLEY RESEARCH COALITION

The Canadian Barley Research Coalition (CBRC) is a collaboration between SaskBarley, Alberta Grains and Manitoba Crop Alliance (MCA). CBRC leads barley research in Canada and works with diverse funding partners to support key barley research initiatives.

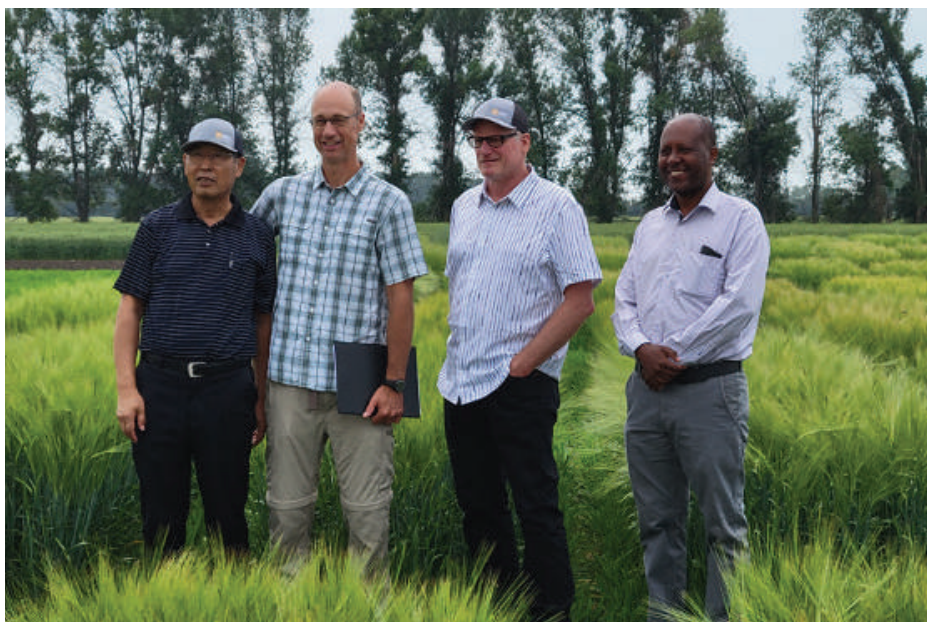
CBRC is the administrator for the 2023-28 Sustainable Canadian Agricultural Partnership (SCAP) National Barley Cluster, titled Canadian Barley – Sustainably Growing. The SCAP cluster program consists of three government priority areas: climate change and the environment (including greenhouse gas emissions reduction with carbon sequestration), economic growth and development, and sector resilience and societal challenge.

The SCAP National Barley Cluster application included 11 research activities supporting both government and industry priorities along with the mandatory program activities of science co-ordination, knowledge and technology transfer, and impact assessment. The total value came to \$11,149,880 with a ratio of 55 per cent

government to 45 per cent industry funds. The application was approved with revisions and a budget reduction, while CBRC works with the AgriScience Program to launch the new cluster.

CBRC continues to support new variety development through the Core Breeding Agreements (CBA) at the University of Saskatchewan's Crop Development Centre (CDC) and Agriculture and Agri-Food Canada (AAFC). The CBA funding is \$2.7 million over five years with CDC and \$1.5 million over five years with AAFC. They provide continuity of funding to the breeding programs for staff and infrastructure. Both CDC and AAFC are very productive and received support for registration in 2023 for five lines covering all barley classes from two-row hulless food and malting, two-row hulled malting and two-row feed applications.

A continuum of producer and industry funds matched with government research investment is key to making further advances in profitability and environmental sustainability for the entire barley value chain.



Dr. Li, Dr. Beattie, Mr. Munro and Dr. Kabeta at the Morden Research Station in Manitoba during field tour at the Barley Committee Meeting on July 25, 2023. Photo by Shelley Lagassé

Conseil de  
l'orge du  
Canada



Barley  
Council of  
Canada

## BARLEY COUNCIL OF CANADA

Over the last decade, the Barley Council of Canada (BCC) board of directors and members committed to supporting the barley value chain effectively and efficiently. During this time, there were many industry changes, collaborations and advancements.

With an evolving Canadian barley industry and strong relationships that have been built among the key industry organizations, the BCC board of directors made the decision to cease future activities after July 31, 2023. BCC will continue with completion of the Canadian Agriculture Partnership (CAP) National Barley Cluster, which we expect to complete in early 2024. The BCC board felt the Canadian Malting Barley Technical Centre (CMBTC) is best equipped to fill the priority areas of BCC members.

The CMBTC is making strides to strengthen leadership and resources on market support and access, development and key policy areas for the barley industry, including malt, feed, food and industrial uses. With the international reputation of CMBTC, the strong membership base from across the value chain and technical expertise, the Canadian barley industry will continue being efficiently served by CMBTC, as it moves the industry into the future.



# Partner Updates (cont.)



## CANADIAN MALTING BARLEY TECHNICAL CENTRE (CMBTC)

Looking back over this past year, Canada had a healthy barley export program of more than three million tonnes of barley (feed: 1.4 million tonnes, malting: 1.6 million tonnes). With historically strong prices, the value of barley exports last year topped C\$1.4 billion, an annual record in terms of value. In comparison, the previous five-year average was 2.4 million tonnes of exports worth \$764 million. In addition, Canada exported 550,000 tonnes of processed malt worth \$525 million.

The strong export program kept the CMBTC pilot and micro malting systems busy, with 52 cargo quality evaluations (CQCs) conducted with 2022 crop exports. The CQC quality assurance program is a cornerstone of CMBTC activities supporting Canada's malt barley exporters and an integral part of our quality brand.

In 2022, the CMBTC was able to resume our annual new crop tour after a three-year hiatus during the pandemic. The 2022 Western Canada Barley Crop tour took place in central Saskatchewan and attracted nearly 50 people. One of the highlights was the presence of nine representatives from Japanese breweries and trading houses, who joined the participants hailing from North America.

As part of the continued push at CMBTC to expedite new variety acceptance in

international markets, a CDC Churchill production trial was carried out in collaboration with two CMBTC members in China. Following the trial, 800 tonnes of the new variety was shipped in containers with financial support from the CMBTC's market development funds. The barley was malted at Shandong Hyaline Malting with test brews conducted at Tsingtao—China's leading brewer.

This past year, the CMBTC worked alongside our member partners to resolve a complex issue related to challenges with varietal purity. As part of this process, the CMBTC co-ordinated efforts to source malt barley samples from producers and seed companies to be evaluated by DNA tests at the Canadian Grain Commission (CGC), to confirm accuracy of private sector testing. One initiative spun out of this process: a strategic partnership with the Argentinian company ZoomAgri to bring new, rapid and affordable AI technology to Canada for varietal purity testing.

Customer outreach and engagement continues to be another cornerstone of CMBTC activities. New crop webinars held in fall 2022 used data generated from the Western Canadian Field Trials, a program initiated in 2020 to collect malt barley samples from more than 25 locations grown as part of

the provincial regional variety trials (RVTs) for evaluation. This created a robust data set to promote the unique quality characteristics of each variety. In addition, the CMBTC provided customers with regular communications, such as seeding and crop progress updates that included information highly valued by our end users for planning purposes.

One of the focus areas in 2022-23, was to explore expansion opportunities and diversify Canada's market base for barley and malt. This was achieved through engagement with buyers in new and existing markets, including Mexico, Colombia, Brazil, Japan, Vietnam, South Korea, India and the U.S. In conjunction, the CMBTC held a Latin American Malt Academy course in spring 2023, with participants attending from Mexico, Colombia and Brazil.

Producer outreach continues to be an important area of focus at the CMBTC. In 2022-23, the CMBTC held producer field days in Alberta and Manitoba to highlight new malt barley varieties for farmers and provided information on efficient agronomic practices, as well as end-user quality requirements. Several producer-focused communications were issued, including the annual malting barley Recommended List, a seeding considerations document and a varietal purity explainer.



# Partnership with Canadian Food Focus

Canadian Food Focus continues to establish itself as the source of trusted information on Canadian food and farming. Their **main consumer target is food decision-makers**; more specifically, urban women ages 25 to 55.

## 2022-23 BARLEY CAMPAIGN

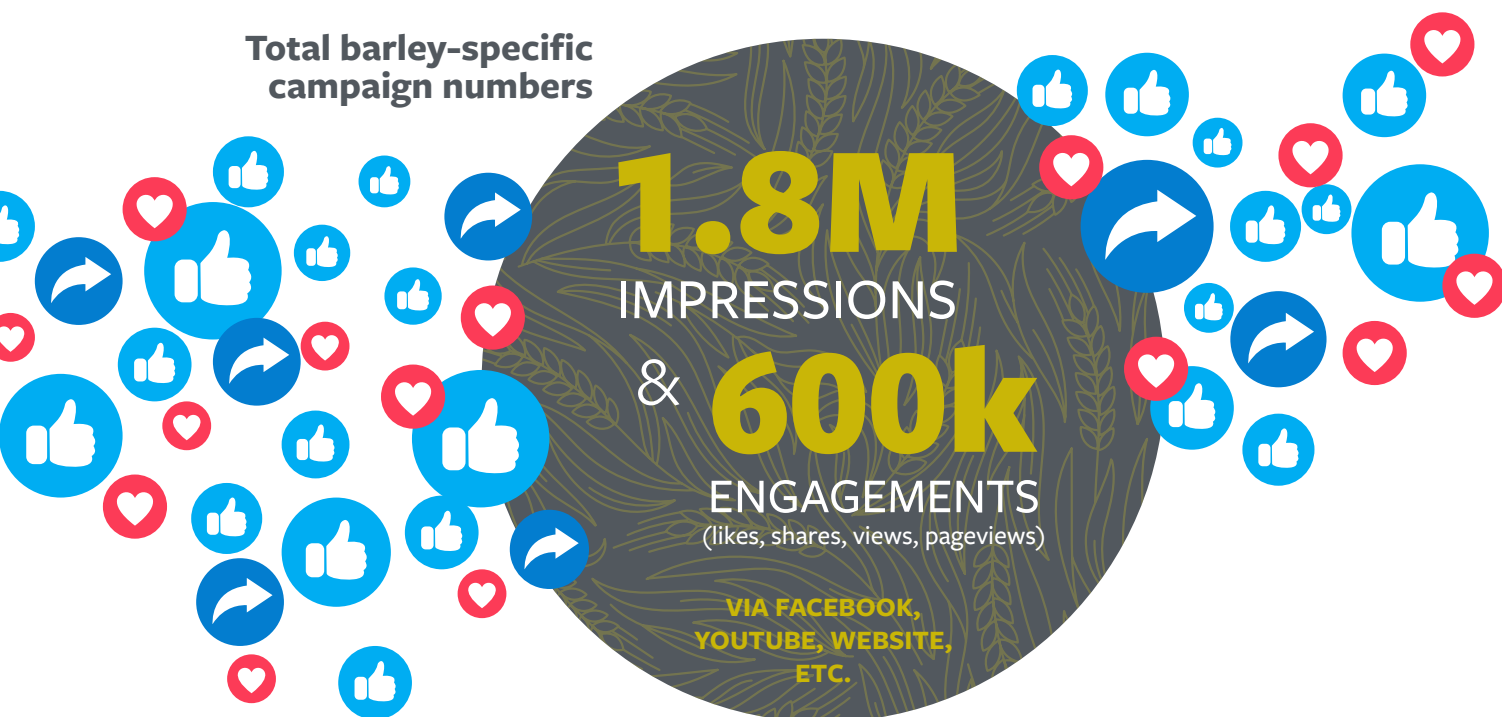
The Canadian Food Focus / SaskBarley partnership in 2022-23 yielded the following results from Aug. 1, 2022 – July 31, 2023.

**10,000+  
VIEWS**  
on barley content at  
**CanadianFoodFocus.org**



## 2022-23 BARLEY CAMPAIGN (CONT.)

Total barley-specific  
campaign numbers



### Brain Health Webinar showcasing the nutritional benefits of barley

Almost all participants  
were dietitians, with  
**98 per cent**  
being Canadian.

**169**  
replay  
participants

**1,100**  
health  
professionals  
registered

**539**  
live  
participants

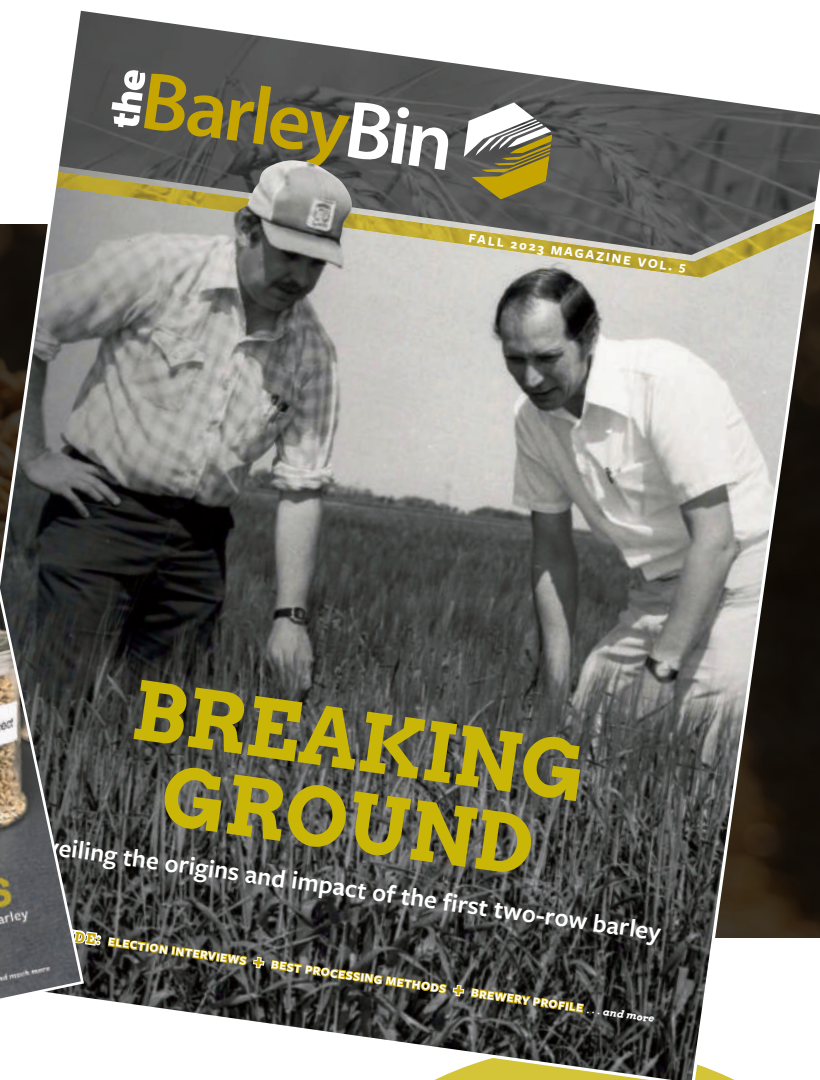
See more barley recipes at [canadianfoodfocus.org](https://canadianfoodfocus.org) or at [GoBarley.com](https://GoBarley.com).



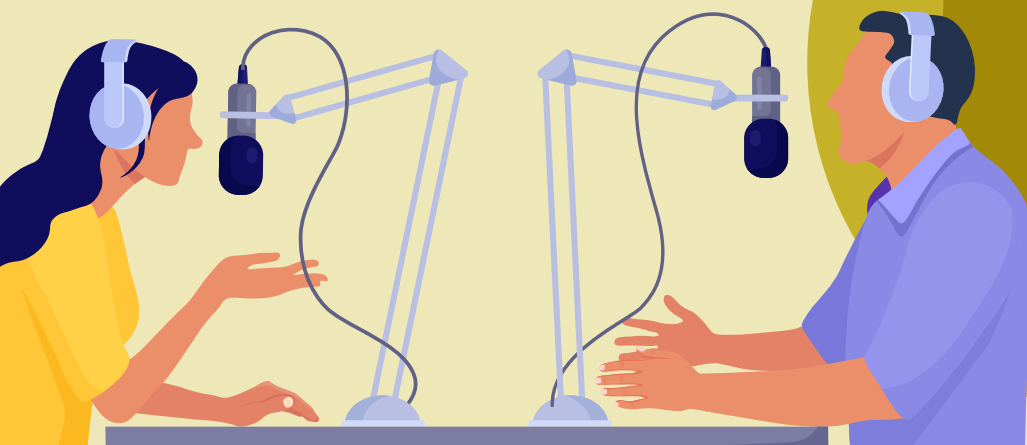
# Extension

## BARLEYBIN MAGAZINE

This year's magazine editions reached a new high circulation of 8,300. **Breaking Ground** and **Pure Intentions** contained an array of industry resources, data and stories guaranteed to inform even the most knowledgeable of barley producers.



## BARLEYBIN PODCAST

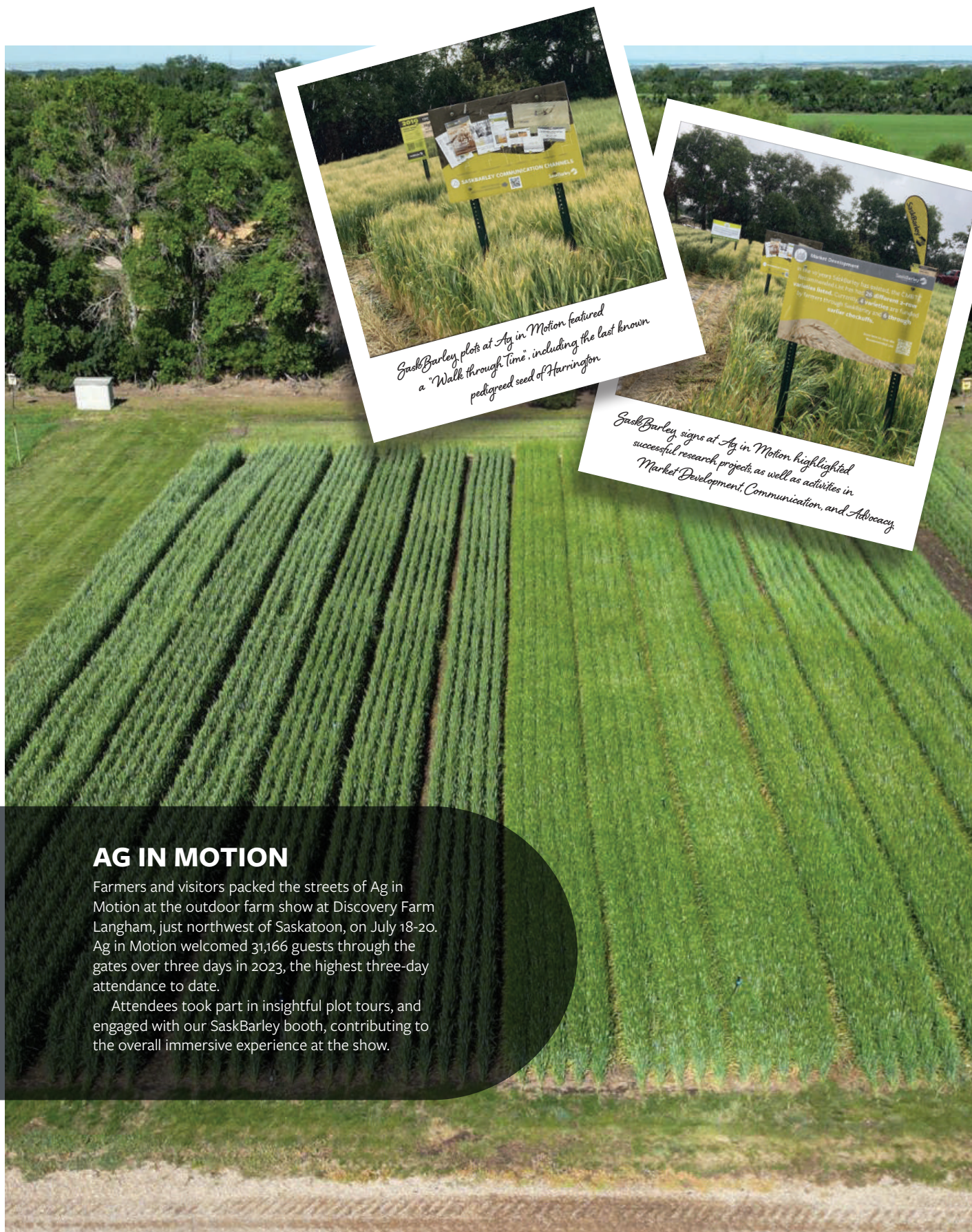


### By The Numbers

**538** plays  
**28-34** age range

**1,006** impressions





*SaskBarley plots at Ag in Motion featured a "Walk through Time", including the last known pedigreed seed of Harrington*

*SaskBarley signs at Ag in Motion highlighted successful research projects, as well as activities in Market Development, Communication, and Advocacy.*

## AG IN MOTION

Farmers and visitors packed the streets of Ag in Motion at the outdoor farm show at Discovery Farm Langham, just northwest of Saskatoon, on July 18-20. Ag in Motion welcomed 31,166 guests through the gates over three days in 2023, the highest three-day attendance to date.

Attendees took part in insightful plot tours, and engaged with our SaskBarley booth, contributing to the overall immersive experience at the show.



## BARLEYBIN LIVE



A packed house (45) at the BarleyBin event in North Battleford, SK.

**100+**  
online viewers



## TOP NOTCH MEETINGS

With more than five successful collaborative meetings this year, industry folks got many free opportunities to learn and discuss with likeminded individuals.

Hosted by SaskCanola, partnering with Saskatchewan Agriculture and SaskBarley, Top Notch Farming delivers top agronomic, economic and policy information to farmers at several locations across the province.

North  
Battleford

Melfort

Saskatoon

Swift  
Current

Regina

## COMMUNICATIONS

### E-Newsletter

**1,600+**  
subscribers

**340+**  
click throughs  
per issue

**38.6%**  
Average open rate  
(20% above industry  
average)

### SaskBarley.com

Reaching new audiences — 2022 compared to 2021

**104%**  
increase in users

**236%**  
increase in page views

### X (formerly Twitter)

**200+**  
new followers

**19,859**  
profile visits



# FINANCIAL STATEMENTS

For the year ended July 31, 2023



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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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



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Management



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Management

November 01, 2023

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## INDEPENDENT AUDITOR'S REPORT

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To the Directors of Saskatchewan Barley Development Commission

### Qualified Opinion

We have audited the financial statements of Saskatchewan Barley Development Commission (the Commission), which comprise the statement of financial position as at July 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations

### Basis for Qualified Opinion

The commission collects a levy from Saskatchewan producers through buyers of barley, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of barley 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, 2023, current assets as at July 31, 2023 and July 31, 2022, and net assets at both the beginning and end of the July 31, 2023 and July 31, 2022 years. Our audit opinion on the financial statements for the year ended July 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

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

(continues)



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Lingard + Dreger*

Chartered Professional Accountants

Saskatoon, Saskatchewan  
November 1, 2023



**SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION**

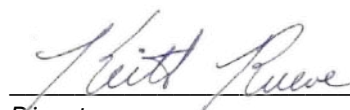
**Statement of Financial Position**


**As at July 31, 2023**

	<b>2023</b>	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and equivalents	\$ 4,767,054	\$ 4,203,823
Short-term investments (Note 3)	<b>999,878</b>	908,730
Accounts receivable (Note 4)	<b>124,452</b>	121,841
Prepaid expenses	<b>10,456</b>	201,621
	<b>5,901,840</b>	5,436,015
<b>LONG-TERM INVESTMENTS (Note 3)</b>	<b>997,708</b>	1,010,020
	<b>\$ 6,899,548</b>	\$ 6,446,035
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 489,001	\$ 715,466
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	<b>4,410,547</b>	3,730,569
<b>INTERNALLY RESTRICTED (Note 6)</b>	<b>2,000,000</b>	2,000,000
	<b>6,410,547</b>	5,730,569
	<b>\$ 6,899,548</b>	\$ 6,446,035

**COMMITMENTS (Note 7)**

**APPROVED ON BEHALF OF THE BOARD**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

See notes to the financial statements



# SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION

## Statement of Operations For the Year Ended July 31, 2023

	Budget Note 11 2023	2023	2022
<b>REVENUE</b>			
Producer check-off fees (Note 8)	\$ 3,041,445	\$ 3,077,933	\$ 2,272,147
Refunds	(304,145)	(197,911)	(195,705)
	2,737,300	2,880,022	2,076,442
Grants	10,000	42,000	43,704
Investment income	25,000	16,710	73,042
Interest income	4,000	166,526	70,670
Other	-	-	33,212
Unrealized gain (loss) on investments	-	(5,974)	(125,999)
	2,776,300	3,099,284	2,171,071
<b>EXPENSES</b>			
Research projects	1,849,693	1,435,860	2,007,375
Research administration	150,000	150,490	145,372
Market development	254,636	203,340	304,522
Communications and advocacy	207,000	230,924	200,197
Service contracts	205,500	204,404	195,869
Board of directors	90,000	99,790	72,449
Election	4,000	159	5,317
General and administrative	74,600	94,339	76,472
	2,835,429	2,419,306	3,007,573
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	\$ (59,129)	\$ 679,978	\$ (836,502)

See notes to the financial statements

**SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION**

**Statement of Changes in Net Assets**

**For the Year Ended July 31, 2023**

	Unrestricted	Internally restricted	<b>2023</b>	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 3,730,569	\$ 2,000,000	<b>\$ 5,730,569</b>	\$ 6,567,071
Excess (deficiency) of revenue over expenses for the year	679,978	-	<b>679,978</b>	(836,502)
<b>NET ASSETS - END OF YEAR</b>	\$ 4,410,547	\$ 2,000,000	<b>\$ 6,410,547</b>	\$ 5,730,569

See notes to the financial statements

**SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION**

**Statement of Cash Flows**

**For the Year Ended July 31, 2023**

	<b>2023</b>	2022
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses for the year	\$ 679,978	\$ (836,502)
Items not affecting cash:		
Gain (loss) on disposition of investments	20,200	(41,938)
Unrealized gain (loss) on investments	5,974	125,999
	<b>706,152</b>	(752,441)
Changes in non-cash working capital:		
Accounts receivable	(2,611)	(35,543)
Prepaid expenses	191,165	(15,686)
Accounts payable and accrued liabilities	(226,465)	247,979
	<b>(37,911)</b>	196,750
Cash flow from (used by) operating activities	<b>668,241</b>	(555,691)
<b>INVESTING ACTIVITIES</b>		
Proceeds on disposition of investments	387,027	1,557,002
Purchase of investments	(420,058)	(577,836)
Reinvested interest	(71,979)	(95,213)
Cash flow from (used by) investing activities	<b>(105,010)</b>	883,953
<b>INCREASE IN CASH</b>	<b>563,231</b>	328,262
<b>CASH - BEGINNING OF YEAR</b>	<b>4,203,823</b>	3,875,561
<b>CASH - END OF YEAR</b>	<b>\$ 4,767,054</b>	\$ 4,203,823
<b>CASH CONSISTS OF:</b>		
Cash and equivalents	<b>\$ 4,767,054</b>	\$ 4,203,823

See notes to the financial statements



## SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION

### Notes to the Financial Statements

For the Year Ended July 31, 2023

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#### 1. AUTHORITY

The Saskatchewan Barley Development Commission (“the Commission”) was established on June 7, 2013, pursuant to *The Saskatchewan Barley Development Plan Regulations* (“Regulations”), under the authority of *The Agri-Food Act, 2004*. The mandate of the Commission is to invest grower’s check-off dollars in research and market development initiatives that contribute to profitable and sustainable barley production in Saskatchewan.

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### Cash and cash equivalents

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

##### Revenue recognition

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

The Commission follows the deferral method of accounting for contributions, which include government funding and grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue is recognized as earned on a time proportion basis.

Investment and other revenue is recognized when earned.

##### Income taxes

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

##### Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

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

##### Administration contract expense

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

## SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION

### Notes to the Financial Statements

For the Year Ended July 31, 2023

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

### Financial instruments

The Commission initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in debt and equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

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

### Contributions in-kind

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

### Foreign currency translation

At the transaction date, each asset, liability, revenue or expense arising from a foreign currency transaction of the Commission is translated into Canadian dollars using the exchange rate at that date. At each balance sheet date, monetary items denominated in a foreign currency are adjusted to reflect the exchange rate in effect at the balance sheet date. Exchange gains or losses of the Commission that arise on translation or settlement of foreign currency-denominated monetary items are included in the determination of excess of revenue over expenses for the year.

## 3. INVESTMENTS

	Maturity	2023 Market value	Yield	2022 Market value
<b>Short-term</b>				
Equity instruments (cost 2023 - \$897,804; 2022 - \$823,547)	-	\$ 999,878	-	\$ 908,730
<b>Long-term</b>				
Term deposits (cost 2023 - \$1,119,281; 2022 - \$1,108,726)	4 - 28 years	997,708	1.75% - 5.85%	1,010,020
		\$ 1,997,586		\$ 1,918,750



**SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION****Notes to the Financial Statements****For the Year Ended July 31, 2023****4. ACCOUNTS RECEIVABLE**

The accounts receivable balance consists of the following:

	2023	2022
Levies receivable	\$ 110,808	\$ 93,868
Collaborator receivables	13,644	25,711
Trade receivables	-	2,262
	<b>\$ 124,452</b>	<b>\$ 121,841</b>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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

	2023	2022
Levy refunds payable	\$ 199,013	\$ 195,164
Research payables	215,690	450,481
Trade payables	74,298	69,821
	<b>\$ 489,001</b>	<b>\$ 715,466</b>

**6. INTERNALLY RESTRICTED NET ASSETS**

The Commission has internally restricted net assets totalling \$2,000,000 as a reserve in the event that the Commission is disbanded or there are other unforeseen circumstances. Any income earned or changes in fair value arising from these assets are recognized in unrestricted net assets. During the year the Board authorized a contribution of \$Nil to the internally restricted net assets (2022 - \$Nil).

## SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION

### Notes to the Financial Statements

For the Year Ended July 31, 2023

#### 7. COMMITMENTS

##### (a) Service contracts:

The Agriculture Council of Saskatchewan Inc. charged the Commission \$41,654 (2022 - \$43,619) for administering the check-off fee program and the business activities of the Commission. During the year the Commission entered into a contract with ACS for administering the check-off fee program and the business activities of the Commission. The Commission agreed to pay a minimum of \$44,119 for levy collection activities for the period August 1, 2023 to July 31, 2024.

The Commission entered into contracts with several corporations and contractors for rent, management and consulting services. Annual payments due in the next year are as follows:

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##### Year ending July 31:

2024	\$ 241,491
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##### (b) Research:

The Commission is committed to funding research and development projects over several years to benefit the barley industry. Annual payments due in each of the next four years are as follows:

##### Year ending July 31:

2024	1,310,041
2025	845,910
2026	356,788
2027	308,888

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2,821,627

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#### 8. PRODUCER CHECK-OFF FEES

Under the Regulations, each buyer of barley is required to remit to the Commission a check-off fee of \$1.06/tonne (2022 - \$1.06/tonne) of barley marketed upon final settlement to producers. Producers can request a refund of check-off fees paid from August 1 to July 31 by submitting a refund application by August 31 of the following fiscal year.

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#### 9. RELATED PARTY TRANSACTIONS

During the year ended July 31, 2023 members of the Commission's elected Board of Directors received payments for per diems and expenses of \$76,510 (2022 - \$56,973). All related party transactions are measured at carrying amounts.

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## SASKATCHEWAN BARLEY DEVELOPMENT COMMISSION

### Notes to the Financial Statements

For the Year Ended July 31, 2023

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#### 10. FINANCIAL INSTRUMENTS

The Commission as part of its operations carries a number of financial instruments. It is management's opinion that the Commission is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

##### **Credit risk**

The Commission is exposed to credit risk from potential non-payment of accounts receivable. Most of the accounts receivable were collected shortly after year-end. As at July 31, 2023 the largest four customers accounted for 50.23% (2022 - 50.74%) of accounts receivable.

##### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Commission is exposed to interest rate risk on its fixed income investments.

##### **Currency risk**

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Commission is subject to the risk of foreign exchange fluctuations on certain amounts held in foreign currencies and included on the balance sheet in their Canadian dollar equivalent.

##### **Market risk**

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the Commission is exposed are currency risk, interest rate risk and other price risk related to investments.

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#### 11. BUDGET

The Board approved the 2022/2023 fiscal year budget at the meeting on November 3, 2022. The budget figures included in the accompanying financial statements are unaudited.

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## Notes

[illegible]





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