

SASKATCHEWAN
pulse
Growers



ANNUAL REPORT
2017/18

*The Road
Ahead for*
PULSES



Vision

Nourishing the world with profitable pulse production

Key Result Areas

Increase yields of established pulse crops by unlocking yield potential and reducing agronomic constraints growers are facing

The on-farm yield gains for growers come from continued enhancement of genetic yield potential, and from reducing the agronomic constraints to achieving the maximum economic yield potential. We believe that to support yield potential, we need to invest in furthering genetics, and to undertake work to reduce the impact of weeds and diseases.

Expand the use of pulses through increased export demand and new market opportunities

The Canadian pulse industry has set a goal of “25 by 2025”. This means the pulse industry will strive to build new-use markets, such as food ingredient and foodservice markets, for at least 25 per cent of Canada’s pulse production by the year 2025. To do this, we must demonstrate the value pulses and pulse ingredients have to offer food companies and consumers, including their nutritional benefits and the role pulses can play in sustainable food production.



123 Pulse Varieties

Released royalty-free through our
Variety Release Program since 1997



Mission

To provide leadership and create opportunities for profitable growth for Saskatchewan pulses

Develop new pulse crop options with the goal of a viable pulse crop option for every acre of land in Saskatchewan

To ensure pulses are a profitable and sustainable crop option for all growers in Saskatchewan, we are striving to ensure at least one pulse crop is available for every acre of arable land in Saskatchewan. We believe fostering the development of soybeans, faba beans, and chickpeas is a key piece to achieving our goal.

Expand market access by ensuring growers have access to a high functioning transportation system and that trade barriers are resolved

Maintaining and expanding access to key export markets around the world is critical. Being viewed globally as reliable and consistent suppliers of pulse crops directly affects the ability for growers across Canada to be successful. That is why we provide funding to our national associations Pulse Canada and Soy Canada to lead work in market access and transportation that impact farmers at a national level.

Connect by increasing SPG's engagement with growers to ensure we understand and are meeting the needs of pulse growers in Saskatchewan

To achieve this, we gain input from growers, and strive to provide you with relevant, practical, and useful information on pulse production, marketing, and levy investments.

Chair's Message

Disruptive Change Outlines the Road Ahead

Market access barriers in India defined the 2017/18-year for Saskatchewan pulses. Import tariffs and fumigation requirements caused disruptive change across the Canadian pulse industry, effectively closing the door on Canada's number one export market for pulses. This resulted in decreased prices and excess supply of Canadian product looking for a new home in the market, as the Canadian industry worked to diversify demand opportunities for our pulse products.

Market access challenges in India began when the Indian Government determined that Canada would no longer be exempt from the requirement to fumigate pulse exports to India with methyl-bromide, due to phytosanitary concerns. The requirement for fumigation is a long-standing one, dating back to 2004. Canada has been granted six-month renewing exemptions by India for many years. Some time ago, the Canadian Food Inspection Agency (CFIA) conducted a science-based risk assessment of India's pest concerns that showed that Canadian pulse exports to India pose no risk as the pests of concern are not present in Canadian product. Together with the pulse industry, CFIA has developed a systems approach to ensure pulse production is free of pests of concern. This system has been extensively examined by officials and scientists from India. In February 2018, Prime Minister Trudeau and India's Prime Minister Modi agreed to have officials finalize an agreement on plant protection to resolve this issue prior to the end of 2018. As of December 2018, we are still awaiting the outcomes of this agreement.

Markets for Canadian pulses were most heavily impacted in November 2017 when the Indian Government applied duties on pulse imports into India. India has also placed a quantitative restriction on pea imports at 100,000 tonnes, which further restricts imports. Essentially, this shut down all Canadian pulse exports to India and created a significant decrease in the demand for pulses.



Corey Loessin
Chair



Market access challenges like this strengthens the importance of the Canadian pulse industry's goal to develop new markets for pulses that will reduce our reliance on any singular export market.

The Canadian industry is working to achieve our goal to diversify the market for 25 per cent of Canadian pulse production into new demand and new-use opportunities by 2025. New-use opportunity areas include focusing on ingredient use in food products as well as use of pulses in foodservice, pet food, feed, and aquaculture markets.

It was work in the area of market development and diversification undertaken by the Canadian pulse industry over the past 15 years that has helped create the demand for pulse ingredients in China that has offered some reprieve for yellow pea markets this past year. In 2017/18 China nearly doubled its yellow pea imports to 1,749,000 tonnes, compared to 914,000 tonnes the previous year. Only once in the last 15 years has India imported more yellow peas than China did last year. China is on track to continue a high level of imports, with Canadian yellow pea exports to China reaching 340,000 in the month of September 2018 alone.

The road ahead for the Saskatchewan pulse industry continues to present challenges. Import duties in India are likely to stay in place until the country reduces their current supply stock and prices for domestically produced product rises. We continue to work united as a Canadian industry to tackle those challenges, and to create new opportunities for diversification and growth of the pulse sector that will reduce risk and reliance on singular export markets in the future.

Sincerely,

Corey Loessin



From L-R: Corey Loessin, Jackie Carleton, Gerrid Gust, Jean Harrington, Lee Moats, Brad Blackwell, Trent Richards

BOARD OF DIRECTORS

COREY LOESSIN **CHAIR**

Radisson

Corey Loessin joined the SPG Board of Directors in 2012. Corey and his wife Joan Heath, along with their children Audra and Aidan, farm 3,000 acres in northwestern Saskatchewan growing peas, lentils, faba beans, canola, and wheat. He holds a Bachelor of Science in Agriculture degree from the University of Saskatchewan (U of S) and worked as a District Agriculturalist in Alberta for several years prior to returning to Saskatchewan to farm. While farming, he also taught crop science courses at the U of S for 12 years. Previous board experience includes Director on the Saskatchewan Soil Conservation Association Board and the Sask Ag Grads Association. Corey serves as Vice-Chair of the Pulse Canada Board, and as the western pulse representative on the Western Grains Research Foundation Board. Corey served three years as SPG's Research and Development Committee Chair, two years as Board Vice-Chair, and is currently Chair of the SPG Board.

GERRID GUST **VICE-CHAIR**

Davidson

Gerrid Gust joined the SPG Board of Directors in 2016. Together with family, Gerrid manages and operates a fourth-generation farm, in Davidson. They run a straight grain operation, where the focus is on producing high quality crops including peas, red lentils, soybeans, durum, wheat, and canola. Pulses make up approximately 30-50 per cent of their rotation. Gerrid has been involved in farm policy for the past 14 years starting with the Western Canadian Wheat Growers, which he chaired from 2009-2013. He also served on the Western Grains Research Foundation Board from 2007-2015. In 2012, he was asked by the provincial government to help set up the Saskatchewan Wheat Development Commission. Gerrid is the Vice-Chair of the board, serves on SPG's Research and Development Committee, and is SPG's representative on the Board of Farm and Food Care Saskatchewan.

BRAD BLACKWELL

Dinsmore

Brad Blackwell joined the SPG Board of Directors in 2017. He operates a family farm at Dinsmore where they grow 8,000 acres of lentils, chickpeas, soybeans, flax, and wheat. Pulse crops account for approximately 33 per cent of their acres. Brad has been an active member of the Dinsmore Kinsmen Club since 1995, as well as a part of Telemiracle 27-31. He currently serves on the Pulse Canada Board of Directors and as Chair of SPG's Audit and Finance Committee.

JACKIE CARLETON

Saskatoon

Jackie Carleton joined the SPG Board in 2017. Jackie and her husband Brian have a family farm in southwest Saskatchewan. Peas, lentils, and chickpeas comprise their pulse acres. Jackie began her agriculture career operating and managing a pulse processing, seed cleaning, and producer car loading facility. Following that, she worked as a grain brokerage agent prior to becoming the Purchasing Manager for the Pulse Division of Legumex Walker. In 2015 she traded her duties to focus full-time on their farming operation. Jackie's background in business administration, operational management, and leadership, as well as a keen interest in agriculture and her desire to continue serving the industry, has given her the opportunity to have a seat on the board of SPG. Jackie currently serves on the Board of Pulse Canada, is a member of SPG's Audit and Finance Committee, and is Chair of the SPG's Nominations Committee. She has also been SPG's representative on the Pulse Industry Round Table and the Canadian Round Table for Sustainable Crops.

JEAN HARRINGTON

Glenside

Jean Harrington joined the SPG Board of Directors in 2014. Jean and her husband John crop 7,400 acres as part of a family farm operation in the Glenside area. Pulses and specialty crops generally make up one-third of their rotation, with canola and wheat rounding out the balance. Marketing crops on the family farm turned into a business for her in 2001 when she founded Prairie Farm Brokerage. The business operated as a full service brokerage until 2012 when

it became a consulting arm for ag marketing. Jean previously served on the Boards of Pulse Canada and Soy Canada, and was SPG's representative to a producer association coalition tasked with preparing a joint submission for the Canada Transportation Act Review. Jean is Chair of SPG's Research and Development Committee and serves on the Audit and Finance Committee. She also serves on the Canadian Grain Commission Western Standards Committee.

LEE MOATS

Riceton

Lee Moats joined the SPG Board of Directors in 2011. Lee currently farms full-time with his wife Laurie, son Joshua, and daughter-in-law Lindsey. Little is more important to Lee than family and the farm, which has been in the family since 1910. In addition to farming, he also worked for the Saskatchewan Ministry of Agriculture for eight years, and Ducks Unlimited Canada for 20 years. Lee has been committed to community service and has contributed to many organizations at the local, Provincial, and National level. Lee was a Director of the Saskatchewan Soil Conservation Association, was a founding Commissioner of the Saskatchewan Winter Cereals Commission, is a Director and past Chair of Pulse Canada, was a long-time Director and President of the Riceton and Cross Country Coops, and has been a volunteer firefighter since 1976. Lee is also serving as a member of Canada's Economic Strategy table on Agriculture and Agri-Food.

TRENT RICHARDS

Assiniboia

Trent Richards joined the SPG Board of Directors in 2016. Trent and his wife Tracy operate a third generation farm in the Assiniboia area located in south-central Saskatchewan. Trent currently continuously crops with lentils, peas, and soybeans making up one-third of the acres, and cereals, canola, flax, and spices making up the remaining acres. Trent attended the University of Saskatchewan where he was enrolled in vocational agriculture. After school he operated a custom spraying business where he applied chemical, and sold sprayer parts. Trent served on the Assiniboia curling rink board and Assiniboia civic improvement board. Trent is a member of SPG's Research and Development Committee, and also serves on the Board of Soy Canada.

Executive Director's Message

Investing In the Future, in a Time of Challenge

Looking back on 2017/18, it is easy to get lost in the struggles that the pulse industry faced. Tariff trade barriers in India halted the export of Canadian pulses to our most important export market. In 2016 and 2017 growers responded to market signals of high lentil prices by increasing lentil seeded area by 78 per cent over two years. Producers are now responding to market signals of low lentil prices by reducing seeded area. Mid-way through last year year we made adjustments to our planned investments in response to a forecasted 40 per cent drop in Saskatchewan Pulse Growers' (SPG) revenues in 2017/18. We cut more than \$2.5 million in expenditures relative to budget, and drew on accumulated reserve funds to offset lower revenues.

The challenges of 2017/18 only further emphasize the need to continue to diversify markets, and to ensure Saskatchewan remains a globally competitive supplier of pulses in the future.

Towards the latter half of 2017/18, SPG was asked a question: Why would we continue to invest in genetics and the development of higher yielding varieties at a time when Saskatchewan growers are struggling to find markets for the amount of product they can already produce?

With the loss of access to the Indian market, the focus on developing new markets for Canadian pulse products has never been higher. Diversifying markets for Canadian pulses has long been a part of SPG's strategy. The Canadian pulse industry set a goal to have 25 per cent of Canadian pulse production marketed into new-use markets by 2025. This means that we are working to find new demand for two million tonnes of Canadian pulse production. Our goal to diversify markets is driven by our desire to reduce the risks pulse growers face by relying on any one-export market. The use of close to 350,000 tonnes of pulses in pet food in North America last year can, in part, be attributed to work that has been undertaken in market development over the last 10 years. China nearly doubling its pea exports in 2017/18 is a result of work to increase the use of pea ingredients in food and animal feed over the last 15 years.



Carl Potts
Executive Director



But we cannot lose sight of the fact that Saskatchewan producers need to continue to be competitive in pulse production in the medium and long-term.

Genetic development through breeding that increases yields, and also reduces the impact from major agronomic pressures such as diseases and weeds, continues to be a major focus for SPG. Through our research and development program we are working to find long-term solutions to challenges growers are facing in their fields such as kochia and root rot. It is important that these agronomic issues do not become barriers to our industry's long-term competitiveness.

As we expand our export markets through market development, we also recognize the importance of ensuring we have reliable and stable access to the markets that are putting money in farmers pockets today. Throughout 2017/18 SPG worked with Pulse Canada and the federal and provincial governments to seek a resolution to market access barriers in India. Canada hosted a delegation of Indian Government officials to evaluate Canada's systems approach, in an effort to remove current methyl-bromide fumigation requirements that would limit Canada's exports to India if, and when, the tariffs are removed. We are hopeful that the unworkable fumigation requirements will be removed prior to 2019. Canada is working collaboratively with other pulse exporting nations through the Global Pulse Confederation to address the need for predictability and transparency regarding the use of import duties on pulses.

We are excited about the future for the Saskatchewan pulse industry. Strong demand growth in new end-uses, combined with a return to more typical level of imports from traditional markets, will position pulses to continue to be an important and profitable crop for Saskatchewan producers.

Sincerely,

Carl Potts

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Expand Market Access

Maintaining and expanding access to key export markets around the world is a critical component to producer profitability.

Over 80 per cent of Saskatchewan pulse production is exported to international markets, which means that growers need to have access to appropriate markets to ensure the industry's competitiveness going forward. Canada also needs to be viewed globally as a reliable and consistent supplier of pulses.

In the areas of market access and transportation, we collaborate with our national associations Pulse Canada and Soy Canada, provincial pulse organizations, and others across the agriculture sector to ensure we have a unified voice at a national and international level to achieve results.

Disruption **IN INDIA**

The Indian Government put into place steep tariffs and unworkable fumigation requirements on Canada's largest pulse export market. Throughout the year Pulse Canada worked with the federal government and other pulse exporting nations to identify solutions to trade issues with India. Some of those actions included:

- Participating in the February 2018 federal government mission to India, during which pulses were raised as a top issue between Prime Ministers Trudeau and Modi.
- Working with the Government of Canada as part of its creation of a Geneva-based, government-to-government group focused on Indian trade restrictions.



**80% of
Saskatchewan
pulse
production
is exported**

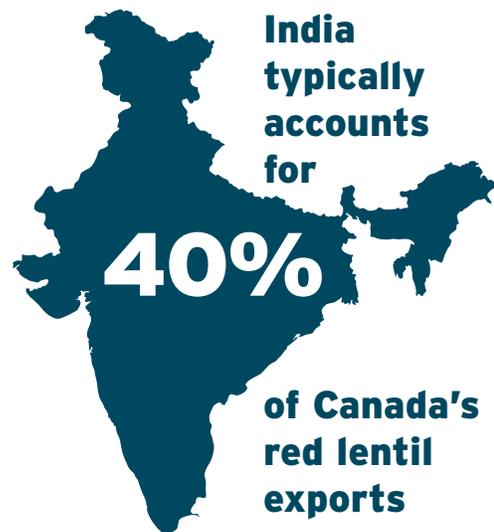
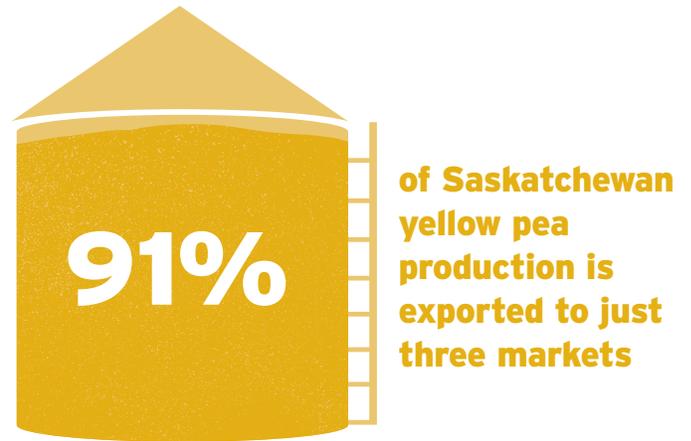
- Working proactively on scenario and contingency planning for different potential fumigation import policy developments from India.
- Participating in a delegation of Government of India officials in September 2018 to review Canada's systems approach to handling grain throughout the supply chain to ensure exports meet phytosanitary requirements of the importing country.

India is the largest consumer of pulses, and we expect that they will need to re-enter the market. However import duties in India are a result of an abundance of domestically produced and imported pulses in the Indian market, resulting in low prices to Indian farmers for some pulses they produce such as Desi chickpeas, pigeon peas, and red lentils. Import duties are likely to stay in place until the supply situation in India changes and prices for those products rise.

In order to ensure that Canada is able to be a supplier of pulses to India in the future, the Canadian pulse industry has been working to address fumigation requirements for Canadian pulses to India. Pulse Canada has been continuing to partner with, and push, the Canadian government to find a science-based solution to India's fumigation concerns and one that works for the Canadian pulse industry.

Bill C-49 **BECOMES LAW**

After a year of debate and amendments, Bill C-49, the Transportation Modernization Act, was passed in May. Throughout 2017/18, Pulse Canada engaged in advocacy efforts surrounding Bill C-49, including speaking before the House and Senate Committees studying the bill. Pulse Canada also worked with the broader agriculture sector and the forestry, mining, chemistry, and fertilizer sectors to emphasize the need for key amendments to the bill. These advocacy efforts included meetings with Senators, Members of Parliament, and Transport Minister Marc Garneau.



The final bill reflects many of the recommendations from the pulse and special crops sector, including the inclusion of reciprocal penalties into Service Level Agreements, and providing the Canadian Transportation Agency with own-motion inquiry powers on systemic or emerging rail freight issues under guidance from the Minister of Transportation.



57% of North American consumers are trying to eat more plant protein

**source: Datassential*



Expand the Use of Pulses

The Canadian pulse industry has set a goal to have 25 percent of Canadian pulse production diversified into new-use opportunities by 2025.

This goal has been developed to help grow new demand, while also mitigating the risk of being highly reliant on just a handful of export markets for pulses.

Throughout 2017/18, we worked together with Pulse Canada, Alberta Pulse Growers, Manitoba Pulse and Soybean Growers, and Ontario Bean Growers to identify focus areas, market potential, and a common strategy that will help us achieve this goal.

Pulse Ingredients in **FOOD PRODUCTS**

Pulse ingredients including proteins, starches, and flours are emerging as a new ingredient trend in food products across North America, Western Europe, and China. From recently launched lentil and chickpea-based pasta by leading pasta manufacturer Barilla, to the inclusion of pea protein in prepared foods like the plant-based Beyond Burger and Ben and Jerry's frozen desserts, food manufacturers with large distribution networks are beginning to include pulse ingredients in their products.

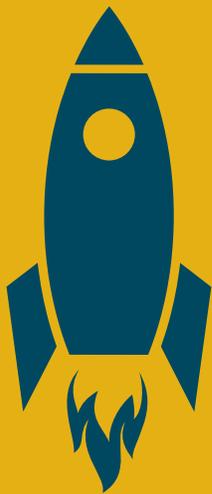
Our goal is to continue to expand the use of pulse ingredients into food product categories such as baked goods, snacks, noodles, and biscuits through supporting product development, technical training, and health and nutrition research.

Pulses in PET FOOD, AQUACULTURE, AND LIVESTOCK

Research has shown that in North America and Western Europe, the way we feed our pets tends to mirror the health and nutrition information we consider for our own diets. This is why, as use of pulse ingredients in human food products grow, we are also seeing growing interest in pulses in pet food products. There have been launches of pulse-based pet foods by major manufacturers including the IAMS Proactive Health label that is made with pea starch, and Purina's Wild label product formulations that include a turkey and lentil flavour. We will support continued growth in this market by undertaking pet-focused health and nutrition research.

Pulses in FOODSERVICE

The foodservice sector has a tremendous ability to create large volumes of new demand for pulse crops, especially lentils. By positioning lentils as the superior form of plant protein, we see the opportunity to grow demand by aligning with emerging consumer interest in plant forward menu items within the foodservice sector.



Mintel tracked
1,257

launches of human food, beverages, pet foods containing pulse ingredients

in the US and Canada between Sept 1, 2017 and Aug 31, 2018

Market research has shown that Millennial and Gen-Z consumers are the demographics that are driving change across menus throughout North America. These demographics are also driving a focus on plant proteins. This is why we are choosing to focus our foodservice work around college and university campus dining programs that are serving up to 50,000 meals to these consumers a day.

We also see opportunity to expand the use of pulses as feed for aquaculture and livestock, focused primarily on the Chinese marketplace. China accounts for over 56 per cent of aquaculture production and 18 per cent of global feed usage. We plan to drive usage in these areas by undertaking nutrition research, including feeding studies, and by supporting regulatory change that will allow for the inclusion of pulse-based ingredients in these areas.

To leverage the work we are undertaking with college and universities to an even larger scale, we are also targeting our outreach to large contract operators such as Compass Group, Aramark, and Sodexo. These companies run high-volume foodservice operations in major centres across North America such as corporate dining, sports and entertainment facilities, and healthcare centres, in addition to colleges and universities.

Increase Yields & Develop New Crops

A pulse crop for every acre. When it comes to pulse production, we have key goals that drive our investments - to grow the yields of our established pulse crops like peas and lentils, and to drive the adaptation and adoption of smaller and emerging crops like chickpeas, faba beans, and soybeans.

Through investments into research and breeding, we are working to grow the yield potential of pulse crops, while also reducing the agronomic pressures that are barriers to high yields or widespread adoption.

Expanding Chickpea **GROWING REGIONS**

In order to expand the suitable area for chickpea production in Saskatchewan, we have invested in research that will support the development of chickpea varieties that are faster maturing, and that have improved disease resistance. These are two of the biggest constraints facing chickpea producers today. Research being led by Dr. Bunyamin Ta'ran at the University of Saskatchewan's Crop Development Centre is using genome sequencing to identify key traits in wild chickpea lines that can be incorporated into the chickpea breeding program to improve various agronomic characteristics. The outcomes of this work will help to increase the competitiveness of Canadian chickpea producers through the development of superior, well-adapted chickpea varieties.



SPG has over
\$2.9 million
invested
in research to address
root rot



Identifying And Evaluating **APHANOMYCES RISK**

Aphanomyces root rot is increasing in prevalence across Western Canada. We are undertaking a number of solutions-orientated research projects to mitigate the effects of this disease. We are funding work towards developing resistant varieties and control options, while also supporting research to develop a risk assessment tool. This work has resulted in the development of soil sampling strategies that, together with the further refinement of a decision support system, will help growers avoid planting peas and lentils in high-risk fields.

Phosphorus Rates **FOR SOYBEANS**

Soybean production in Saskatchewan has increased significantly in recent years. While farmers are increasingly including this crop into their rotations, the research available on agronomic practices for soybeans is not reflective of the Saskatchewan growing environment. This is why we funded a research project that sought to determine the best phosphorus fertilizer rates and placements for soybeans grown in Saskatchewan. The research has answered questions regarding the safety of seed-placed monoammonium phosphate, overall potential yield responses to phosphorus fertilization, and nutrient exports that can be expected from soybean production in Saskatchewan. The results will provide Saskatchewan soybean growers with practical information regarding best management practices for phosphorus fertility in soybeans, which will prove useful for managing long-term phosphorus fertility in rotations containing soybeans.

Advocating **FOR NEONICS**

We have been working, as part of a national coordinated effort, to maintain access to key insecticide classes currently under review by the Pest Management Regulatory Agency (PMRA). The pulse industry has very few alternatives to neonic seed treatments and, in instances, no other registered products that target specific insect pests. Deregistering imidacloprid, clothianidin, and thiamethoxam would result in the loss of critical remaining tools for pulse growers. As part of a working group, we are providing feedback to the PMRA to ensure that regulatory decisions rely on sound, scientific data, and are recommending mitigation options.

Releasing **NEW GENETICS**

In 2018, through the Select Seed Grower Program we released a new yellow pea variety (CDC Lewochko), a new green lentil variety (CDC IBC-937), a new extra small red lentil variety (CDC IBC-978), and a new zero-tannin faba bean variety (CDC 219-16). Since 1997 we have released 123 pulse varieties, royalty-free, through our Variety Release Program.



Over

225

**SPG-funded research
project summaries are
available on saskpulse.com**

Engage with Growers

By creating opportunities to engage and interact with growers across the province, we are seeking to ensure we understand the needs of growers, and that our strategy is aligned to meet those needs.

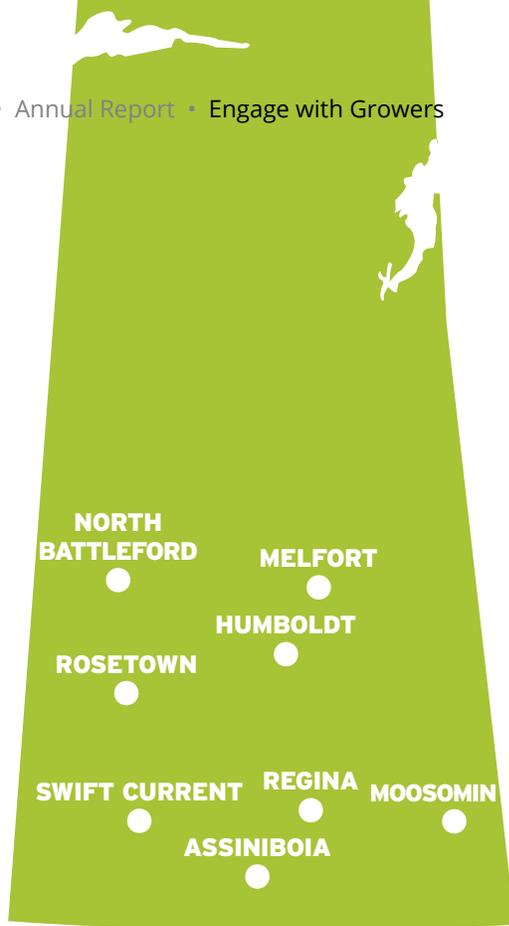
Through a variety of outreach tools we communicate latest research results, agronomic advances, and market development efforts. Through formal and informal mechanisms we seek grower feedback and input on priorities and emerging issues. By connecting with growers, we are working to ensure growers receive value in all that we do.

Keep it **CLEAN!**

SPG supports the Keep it Clean! campaign alongside the cereals and canola industries. The campaign aims to inform growers of the role that production and storage practices can play in meeting export market requirements. As part of Keep it Clean!, the Pulse Value Chain Working Group creates an annual advisory to help pulse growers understand possible marketing restrictions that may arise from using certain crop protection products, balancing the trade risk with the agronomic importance of crop protection products. In 2018 the campaign highlighted the importance of ensuring lentils were at less than 30 per cent moisture when applying glyphosate, to limit the risk of residue on the crop. For the latest Keep it Clean! updates, growers can visit the website or follow @KICCanada on Twitter and Facebook.



There are over
15,000
pulse growers
in Saskatchewan



Covering **MORE GROUND**

We hosted eight Pulse Regional Meetings throughout February. In addition to our traditional locations of North Battleford, Rosetown, Swift Current, and Regina, we also added four new meeting locations in Assiniboia, Moosomin, Melfort, and Humboldt. The additional locations were added to help expand our outreach into new and non-typical pulse growing communities to ensure that we were providing an opportunity for producer feedback and engagement across a wider geographic region. These meetings were held in partnership with the Saskatchewan Ministry of Agriculture, covering topics from market development and market outlooks, to regionally adapted varieties.

Input on **PULSE BREEDING**

As part of the Pulse Regional Meetings, we used the opportunity to draw input from growers on the role SPG should play in pulse breeding beyond the conclusion of our current breeding agreement with the Crop Development Centre, which is set to expire in 2020. Over 600 growers discussed the benefits and drawbacks of both public and private, royalty-driven, breeding models. There were also ideas and topics raised for SPG to consider as we evaluate the level of grower dollar investment into pulse breeding in the future.

Setting **AGRONOMIC PRIORITIES**

In late 2017 we hosted a Pulse and Soybean Agronomy Workshop where we brought together over 350 agronomists, growers, industry representatives, and researchers. The focus of the workshop was to showcase results from investments in research as well as to create an interactive forum for feedback, input, and idea generation, to support the development of our agronomic priorities moving forward. These priorities will feed into the investments of levy dollars into research and outreach. The key priorities that emerged included disease and weed management, with particular emphasis on root rot mitigation, managing herbicide resistant weeds such as kochia, and a focus on nutrient requirements and management for pulses.



600+

growers provided input on pulse breeding at the Pulse Regional Meetings

Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of Saskatchewan Pulse Crop Development Board.

Report on the Financial Statements

We have audited the accompanying financial statements of Saskatchewan Pulse Crop Development Board, which comprise the statement of financial position as at August 31, 2018 and the statements of operations, changes in net assets, and cash flows for the year then ended, and 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 misstatements, 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.

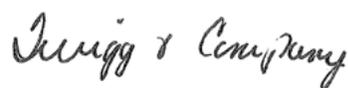
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Saskatchewan Pulse Crop Development Board as at August 31, 2018 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.

December 6, 2018

Saskatoon, Saskatchewan



Chartered Professional Accountants

To the Members of Saskatchewan Pulse Crop Development Board:

We have audited Saskatchewan Pulse Crop Development Board's control as of August 31, 2018 to express an opinion as to the effectiveness of its control related to the following objectives:

1. To safeguard Board 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 to achieve its goals; and to monitor and react to its progress towards the objectives established in its financial plan.
2. To prepare reliable financial reports.
3. To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding Board resources, and revenue raising, spending, borrowing and investing.

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

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

Saskatchewan Pulse Crop Development Board's management is responsible for effective control related to the objectives described above. Our responsibility is to express an opinion on the effectiveness of control based on our audit.

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CPA Canada Handbook - Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance as to effectiveness of Saskatchewan Pulse Crop Development Board'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.

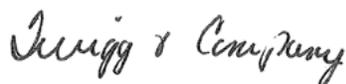
Control can provide only reasonable, not absolute, assurance of achieving objectives reliably for two reasons. First, there are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Second, cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, 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, Saskatchewan Pulse Crop Development Board's control was effective, in all material respects, to meet the objectives stated above as of August 31, 2018 based on the CPA Canada criteria of control framework.

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of Saskatchewan Pulse Crop Development Board, which comprise the statement of financial position as at August 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 December 6, 2018 which is the same date as the date of the report on the effectiveness of internal controls.

December 6, 2018
Saskatoon, Saskatchewan



Chartered Professional Accountants

To the Members of Saskatchewan Pulse Crop Development Board:

We have examined the financial statements of Saskatchewan Pulse Crop Development Board for the year ended August 31, 2018 and have issued our report thereon dated December 6, 2018. We have examined the system of internal control as at August 31, 2018 and have issued our report to you dated December 6, 2018. We have also made an examination to determine whether Saskatchewan Pulse Crop Development Board complied with specified legislative and related authorities pertaining to its financial reporting, safeguarding agency resources, spending, revenue-raising, borrowing and investing activities during the year ended August 31, 2018 and have issued our report to you dated December 6, 2018.

Our examinations were made in accordance with Canadian generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances. In those instances, if any, that our study and evaluation of internal control disclosed conditions indicating that internal controls were inadequate or not complied with, substantive tests were performed to detect any case in which:

1. any officer or employee of Saskatchewan Pulse Crop Development Board has willfully or negligently omitted to collect or receive public money belonging to the Crown;
2. there has been a deficiency or loss to the Crown through the fraud, default or mistake of any person;
and
3. an expenditure was made which was not properly vouchered or certified.

During the course of these examinations, nothing came to our attention that would indicate to us that:

1. any officer or employee of Saskatchewan Pulse Crop Development Board has willfully or negligently omitted to collect or receive public money belonging to the Crown;

2. there has been a deficiency or loss to the Crown through the fraud, default or mistake of any person;
and
3. an expenditure was made which was not properly vouchered or certified.

December 6, 2018
Saskatoon, Saskatchewan



Chartered Professional Accountants

To the Members of Saskatchewan Pulse Crop Development Board:

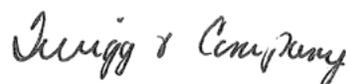
We have made an examination to determine whether Saskatchewan Pulse Crop Development Board complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities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

- The Agri-Food Act, 2004
- The Pulse Crop Development Plan Regulations

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, Saskatchewan Pulse Crop Development Board has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended August 31, 2018.

December 6, 2018
Saskatoon, Saskatchewan



Chartered Professional Accountants

Saskatchewan Pulse Crop Development Board
STATEMENT OF FINANCIAL POSITION
as at August 31, 2018

	2018	2017
	\$	\$
ASSETS		
CURRENT:		
Cash	410,320	974,156
Investments (Note 3)	6,037,231	6,304,572
Accounts receivable (Note 4)	1,330,688	1,639,033
Prepaid expenses	273,683	430,570
Accrued interest receivable	107,545	140,863
Breeder seed Inventory	375,342	481,294
	8,534,809	9,970,488
INTERNALLY RESTRICTED INVESTMENTS (Note 3)	6,460,000	6,200,000
INVESTMENTS (Note 3)	1,817,242	7,421,071
CAPITAL ASSETS (Note 5)	1,033,096	1,077,544
	17,845,147	24,669,103

LIABILITIES

CURRENT:

Accounts payable and accrued liabilities (Note 6)	864,422	875,898
	864,422	875,898

NET ASSETS

INVESTED IN CAPITAL ASSETS	1,033,096	1,077,544
INTERNALLY RESTRICTED (Note 10)	6,460,000	6,200,000
UNRESTRICTED	9,487,629	16,515,661
	16,980,725	23,793,205
	17,845,147	24,669,103

Commitments (Notes 7, 8, and 9)

Approved by the board:



Chair



Vice-Chair

Saskatchewan Pulse Crop Development Board
STATEMENT OF OPERATIONS
for the year ended August 31, 2018

	2018 Budget (Unaudited) (Note 11)	2018 Actual	2017 Actual
	\$	\$	\$
REVENUE			
INDUSTRY REVENUE			
Levy	17,276,500	9,732,380	15,981,530
Industry partnership	52,500	112,400	143,700
Variety commercialization	540,925	582,347	315,290
Advertising	75,000	81,315	86,531
Sponsorship	60,000	68,350	40,400
	18,004,925	10,576,792	16,567,451
GOVERNMENT FUNDING			
Agriculture and Agri-Food Canada – Cluster	101,070	10,891	163,784
Government of Saskatchewan	100,000	45,346	38,710
	201,070	56,237	202,494
INTEREST AND DIVIDENDS	495,800	351,218	518,058
UNREALIZED GAINS (LOSSES)	-	77,133	8,233
OTHER REVENUE	30,859	115,110	21,951
	18,732,654	11,176,490	17,318,187

	2018 Budget (Unaudited) (Note 11)	2018 Actual	2017 Actual
	\$	\$	\$
EXPENSES			
RESEARCH AND DEVELOPMENT			
Pulse breeding	5,458,213	5,361,764	4,959,223
Agronomy and sustainability	2,959,295	1,892,051	2,437,841
Genetic improvement	1,868,687	1,579,520	2,424,464
Processing	1,170,715	1,064,196	1,454,810
Health outcomes	410,524	290,190	512,341
Strategy development and support	1,029,882	892,023	1,014,102
	12,897,316	11,079,744	12,802,781
MARKET PROMOTION			
Canadian lentil promotion	2,560,500	1,654,121	2,604,920
International market promotion	68,000	36,956	-
Product utilization, feed and other promotion	337,452	249,415	532,200
	2,965,952	1,940,492	3,137,120
COMMUNICATION	1,508,673	1,043,974	1,313,890
PULSE CANADA (Note 7)	1,961,261	1,836,261	1,719,436
VARIETY COMMERCIALIZATION	638,250	675,599	384,414
LEADERSHIP AND MANAGEMENT			
Board of directors	376,518	260,790	294,306
Management and administration	1,168,849	1,152,110	1,149,625
	1,545,367	1,412,500	1,443,931
	21,516,819	17,988,970	20,801,572
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	(2,784,165)	(6,812,480)	(3,483,385)

Saskatchewan Pulse Crop Development Board

STATEMENT OF CHANGES IN NET ASSETS

for the year ended August 31, 2018

	Invested in Capital Assets	Internally Restricted	Unrestricted	2018 Total	2017 Total
	\$	\$	\$	\$	\$
NET ASSETS, BEGINNING OF YEAR	1,077,544	6,200,000	16,515,661	23,793,205	27,276,590
Deficiency of revenue over expenses	-	-	(6,812,480)	(6,812,480)	(3,483,385)
Increase of restricted investments	-	260,000	(260,000)	-	-
Purchase of capital assets	-	-	-	-	-
Land Rebate received	(8,080)	-	8,080	-	-
Disposition of capital assets	(286)	-	286	-	-
Loss on disposition of capital assets	(1,138)	-	1,138	-	-
Amortization	(34,944)	-	34,944	-	-
NET ASSETS, END OF YEAR	1,033,096	6,460,000	9,487,629	16,980,725	23,793,205

Saskatchewan Pulse Crop Development Board
STATEMENT OF CASH FLOWS
for the year ended August 31, 2018

	2018	2017
	\$	\$
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	(6,812,480)	(3,483,385)
CHANGES TO INCOME NOT INVOLVING CASH:		
Amortization	34,944	93,212
Land rebate received	8,080	-
Loss on disposition of capital assets	1,138	3,176
	(6,768,318)	(3,386,997)
CHANGES IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS:		
Accounts receivable	308,345	332,847
Inventory	105,952	(157,062)
Prepaid expenses	156,887	496,723
Accrued interest receivable	33,318	40,383
Accounts payable and accrued liabilities	(11,476)	(2,666,777)
	593,026	(1,953,886)
Total from operating activities	(6,175,292)	(5,340,883)
INVESTING ACTIVITIES		
Proceeds from sale of capital assets	286	2,028
Purchases of capital assets	-	(54,544)
Net purchases of investments	5,611,170	6,039,016
Total from investing activities	5,611,456	5,986,500
INCREASE (DECREASE) IN CASH DURING THE YEAR	(563,836)	645,617
CASH AND EQUIVALENTS, BEGINNING OF YEAR	974,156	328,539
CASH AND EQUIVALENTS, END OF YEAR	410,320	974,156

Saskatchewan Pulse Crop Development Board
NOTES TO FINANCIAL STATEMENTS
for the year ended August 31, 2018

1. DESCRIPTION OF BUSINESS

The Saskatchewan Pulse Crop Development Board ("SPG") is a non-profit organization which was established in 1984 under the Agri-Food Act of Saskatchewan. The mission of SPG is to provide leadership and create opportunities for profitable growth for the Saskatchewan pulse industry.

The Saskatchewan Pulse Crop Development Board collects a mandatory, non-refundable levy of 1% of the gross value of sales of pulse crops. For the period of August 1, 2016 to August 31, 2018 the levy has been reduced to 0.67% of the gross value of sales of pulse crops.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Part III of the CPA Handbook – Accounting Standards for Not-for Profit Organizations, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

(a) Revenue recognition:

The organization 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.

Levy revenue is recognized at the time of settlement.

Industry revenue including industry partnership, advertising and sponsorship are recognized as related activities occur and related costs are incurred.

Variety commercialization revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the selling price to the buyer is fixed, and collection is reasonably assured.

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

(b) Cash and cash equivalents:

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

(c) Capital assets:

Capital assets are recorded at cost, less accumulated amortization. SPG provides for amortization using the declining balance and straight-line methods at rates designed to amortize the cost of capital assets over their estimated useful lives. The annual amortization rates are as follows:

Equipment	Declining balance	20%-50%
Leasehold improvements	Straight-line	7 years

(d) Impairment of long-lived assets:

Long-lived assets, which comprise capital assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the

carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

(e) Inventory:

The inventory balance consists of seed supplies of harvested beans, faba beans, peas, chickpeas and lentils and is measured at the lower of cost and net realizable value, with cost being determined using the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less any provisions for impairment.

(f) Research and development expense recognition:

Research and development expenses are recognized in these financial statements in the period defined in the terms and conditions of the respective agreements for contract based expenditures. Grant based expenditures are recorded when eligibility has been determined and the grant has been authorized.

(g) Income taxes:

No provision for income taxes has been made in these financial statements as SPG is exempt from income tax under Section 149 (1) of the Income Tax Act.

(h) Financial instrument classification:

Investments and internally restricted investments are recorded at fair value. Transactions are recorded on a trade basis and transaction costs are expensed as incurred.

Other financial instruments, including cash, accounts receivable, accrued interest receivable, and accounts payable and accrued liabilities, are initially recorded at their fair market value and are subsequently measured at amortized cost, net of any provisions for impairment.

(i) 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Significant estimates include, but are not limited to the valuation of accounts receivable and inventory and the useful lives of property, plant and equipment.

(j) 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.

3. INVESTMENTS

The investments balance consists of the following:

	2018	2017
	\$	\$
Fixed income	12,899,817	17,838,646
Cash and cash equivalents	361,739	1,111,113
Equity funds	1,052,917	975,884
	<u>14,314,473</u>	<u>19,925,643</u>

	2018	2017
	\$	\$

CURRENT ASSETS:

Investments	6,037,231	6,304,572
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LONG-TERM ASSETS:

Internally restricted investments	6,460,000	6,200,000
Investments	1,817,242	7,421,071
	<u>14,314,473</u>	<u>19,925,643</u>

The investment balance is a result of the excesses of revenue over expenses from operations in prior years due to increased volume and value of pulse production. The surplus money is held in investments and provides flexibility to cover expenditure commitments in years where operations result in a cash deficit. SPG has set in place investment policy guidelines as to the portfolio mix in order to ensure the investments are safeguarded against large market fluctuations.

4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2018	2017
	\$	\$
Levy receivables	989,812	1,205,100
Other receivables	340,876	433,933
	<u>1,330,688</u>	<u>1,639,033</u>

5. CAPITAL ASSETS

The capital assets balance consists of the following:

	2018		2017	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Equipment	260,335	233,314	27,021	48,419
Leasehold improvements	207,291	182,471	24,820	39,790
	467,626	415,785	51,841	88,209
Land	981,255	-	981,255	989,335
	<u>1,448,881</u>	<u>415,785</u>	<u>1,033,096</u>	<u>1,077,544</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2018	2017
	\$	\$
Trade payables	64,499	326,289
R&D contracts payable	710,728	466,996
GST payable	52,101	45,808
Payroll liabilities	32,077	36,805
Accrued liabilities	5,017	-
	<u>864,422</u>	<u>875,898</u>

7. PULSE CANADA COMMITMENTS

Pulse Canada is the national industry association that represents growers, processors and traders of pulse crops in Canada. Direction and funding for Pulse Canada is provided by the Alberta Pulse Growers Commission, Saskatchewan Pulse Growers, the Manitoba Pulse and Soybean Growers Association, the Ontario Bean Growers, and the processors and exporters of Canadian peas, lentils, beans and chickpeas that are members of the Canadian Special Crops Association (CSCA). Pulse Canada's key activities include:

- **Market Access:** To minimize additional supply chain costs created by market access barriers such as import duties, taxes, sanitary and phytosanitary measures, regulatory and other barriers, and work to ensure no new additional trade barriers are introduced.
- **Business Development: Health, Nutrition, Functionality and Sustainability:** Increase demand for Canadian pulses in existing and new markets by marketing health, nutritional, functional and sustainability attributes
- **Transportation:** To eliminate barriers associated with accessing equipment and rail service to reduce risk in transporting products.

SPG is providing program and project funding to Pulse Canada. The amount committed for future years are below:

Year ending August 31:	\$
2019	1,789,833
2020	1,700,000
2021	991,667

8. RESEARCH AND DEVELOPMENT COMMITMENTS

SPG has approved future funding for several research and development projects. Amounts committed to these projects in each of the next five years, assuming the terms of the contracts are fulfilled, are as follows:

Year ending August 31	2019	2020	2021	2022	2023
	\$	\$	\$	\$	\$
U of S/CDC Variety development	7,045,430	6,361,462	363,987	-	-
Other	1,459,952	729,499	795,965	410,993	157,759
	8,505,382	7,090,961	1,159,952	410,993	157,759

9. COMMITMENTS

Commitments include a five-year lease agreement with the Saskatchewan Opportunities Corporation for the premises at 207 – 116 Research Drive, Saskatoon, Saskatchewan, that expires June 2023, and multi-year agreements with various suppliers of office equipment. Annual payments due in each of the next five years are as follows:

Year ending August 31:	\$
2019	255,385
2020	253,689
2021	259,499
2022	260,158
2023	214,287

10. INTERNALLY RESTRICTED NET ASSETS

SPG has approved the allocation of certain funds generated from operations to be set aside as internally restricted net assets to be used to cover potential shortfalls in levy revenue. Consistent with Board policy, SPG is currently holding \$6,460,000 (2017 - \$6,200,000) in internally restricted investments.

11. BUDGETED FIGURES

Budgeted figures are unaudited and are based on the budget approved by the board on June 15, 2017 and presented at the Annual General Meeting. No revisions were made after this date.

12. FINANCIAL INSTRUMENTS

Interest rate risk

SPG is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund that holds fixed income securities and its note receivable because the fair value will fluctuate due to changes in market rates.

Credit risk

SPG is exposed to credit risk in connection with its accounts receivable and its investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

Commodity price risk

Commodity price risk is the risk that revenue will fluctuate due to changes in market prices affecting the dollar amount of pulse crops sold.

Other price risk

SPG is exposed to other price risk through changes in market prices in connection with its investments in equity securities and pooled funds.

Liquidity risk

SPG is exposed to the risk that it will encounter difficulty in meeting obligations associated with its financial liabilities.

13. ALLOCATION OF EXPENSES

SPG presents the statement of operations by function with salaries, benefits, directly related staffing costs and some overhead costs allocated by function.

Saskatchewan Pulse Crop Development Board

SCHEDULE 1 – SCHEDULE OF EXPENSES

for the year ended August 31, 2018

	2018 Budget (Unaudited) (Note 11)	2018 Actual	2017 Actual
	\$	\$	\$
RESEARCH AND DEVELOPMENT			
PULSE BREEDING			
Variety improvement	5,333,068	5,361,764	4,834,098
Pea genetic improvement program	125,145	-	125,125
	5,458,213	5,361,764	4,959,223
AGRONOMY AND SUSTAINABILITY			
Weed management	476,313	476,313	515,003
Disease management	542,607	180,796	398,812
Rotation and plant nutrition management	30,305	20,045	48,755
Soil fertility	54,820	39,406	101,575
Nitrogen fixation	133,277	172,251	280,356
Sustainability	327,044	354,340	403,584
Pea yield	118,651	161,604	113,675
Post production	2,385	2,385	33,348
Demonstration, Outreach & Priorities	640,030	231,050	373,791
Other yield stability	633,863	253,861	168,942
	2,959,295	1,892,051	2,437,841
GENETIC IMPROVEMENT			
Breeding tools	1,627,022	1,337,855	2,012,578
Weed science	133,910	133,910	-
Disease resistance	107,755	107,755	183,598
Other yield enhancement	-	-	228,288
	1,868,687	1,579,520	2,424,464
PROCESSING AND UTILIZATION			
Pulse processing	1,024,794	854,286	1,256,823
Pulses and feed	145,921	209,910	197,987
	1,170,715	1,064,196	1,454,810
HEALTH OUTCOMES			
	410,524	290,190	512,341
STRATEGY DEVELOPMENT AND SUPPORT			
	1,029,882	892,023	1,014,102
	12,897,316	11,079,744	12,802,781

	2018 Budget (Unaudited) (Note 11)	2018 Actual	2017 Actual
	\$	\$	\$
MARKET PROMOTION			
CANADIAN LENTIL PROMOTION	2,560,500	1,654,121	2,604,920
INTERNATIONAL MARKET PROMOTION	68,000	36,956	-
OTHER PROMOTION AND SUPPORT	337,452	249,415	532,200
	2,965,952	1,940,492	3,137,120
COMMUNICATIONS			
GROWER COMMUNICATIONS	1,139,000	686,782	840,888
INDUSTRY AND EXTERNAL COMMUNICATIONS AND SUPPORT	369,673	357,192	473,002
	1,508,673	1,043,974	1,313,890
PULSE CANADA			
STRATEGIC INITIATIVES	1,961,261	1,836,261	1,719,436
VARIETY COMMERCIALIZATION			
BREEDER SEED	441,896	500,980	227,438
EXTENSION ACTIVITIES AND SUPPORT	196,354	174,619	156,976
	638,250	675,599	384,414
LEADERSHIP AND MANAGEMENT			
BOARD OF DIRECTORS			
Election	80,250	67,186	79,594
Honoraria, benefits, and allowances	141,558	107,348	114,626
Professional fees	21,500	7,465	16,572
Travel	100,200	54,602	56,730
Other	33,010	24,189	26,784
	376,518	260,790	294,306
MANAGEMENT AND ADMINISTRATION			
Professional fees	138,500	130,210	159,819
Rent and occupancy	220,000	218,272	203,319
Salaries and benefits	527,829	535,872	507,755
Travel	35,920	29,098	24,294
Other	246,600	238,658	254,438
	1,168,849	1,152,110	1,149,625
	21,516,819	17,988,970	20,801,572



SASKATCHEWAN
pulse
Growers



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