



Connecting Innovation  
& Profitability

ANNUAL REPORT  
2022-2023

SASKATCHEWAN  
pulse  
Growers





# CHAIR'S MESSAGE

Saskatchewan Pulse Growers (SPG) is connecting innovation and profitability in its rebuild of investments and sharp focus on the activities of greatest impact to farmers and the pulse industry.

One major focus for SPG this past year is the rebuilding of investments, particularly within research and development. As SPG is currently carrying a larger accumulated surplus than typical, the Board took decision to target \$14 million of that into new high-priority research commitments over the next year. With a strong national pulse research strategy developed in 2021-22 to anchor the industry's focus, a number of new funding portfolios have already been established in areas of research of highest priority to growers, with more to come over the next year.

SPG worked alongside Alberta Pulse Growers (APG), Manitoba Pulse & Soybean Growers (MPSG), Ontario Bean Growers (OBG), and Pulse Canada to collaboratively develop and submit the 2023-2028 Sustainable Canadian Agricultural Partnership (SCAP) AgriScience Pulse Cluster application this year. Ultimately 12 projects were approved. SPG contributed \$5 million to nine of the projects including topics on: breeding peas, chickpeas, and dry beans; solutions to root diseases; genetic improvement in faba bean; and tools for pulse breeders using imagery. SPG also committed \$3 million for 17 new projects under the Saskatchewan Ministry of Agriculture's Agriculture Development Fund (ADF) research application process, for a total of \$6.8 million in new pulse research. Topics include breeding tools for peas, dry bean, and soybean; monitoring and managing insects, diseases, viruses, and weeds in pulses; processing of pulse proteins, and more.

On the breeding front, SPG continues to work closely with new breeding partner Limagrain, driving growers' greatest challenges into the future outcomes of that program. SPG also continues to build on this new partnership with Limagrain while also making progress on developing new breeding relationships with the University of Saskatchewan's Crop Development Centre (CDC) for the future.

Collaboration becomes key to all of the areas of work SPG undertakes. SPG has collaborated with other provincial pulse commissions and Pulse Canada to drive research priorities forward, while work continues to be done alongside other crop commissions in Saskatchewan to drive grower advocacy and awareness initiatives. SaskCrops, a collaboration between SPG, Sask Wheat, SaskCanola, SaskBarley, SaskFlax, and SaskOats, worked on several grower advocacy initiatives this year including a submission to Agriculture & Agri-Food Canada's (AAFC) Sustainable Agriculture Strategy consultation. SPG also worked with Pulse Canada on a similar submission and they led in the advocacy around sustainability topics to Ottawa lawmakers, Bill C-282, interswitching, and pushing for an Indo-Pacific trade office. SPG partnered with Sask Wheat, SaskCanola, and SaskBarley on a field day highlighting seeding rate trials for barley, lentils, and canola among other topics this summer to a maximum capacity crowd. SPG, Sask Wheat, SaskCanola, and SaskBarley agronomy and communications teams also worked closely to produce a joint insecticide options resource in response to the re-evaluation on lambda-cyhalothrin.

As we continue to rebuild and make new investments, SPG is driven with a sharp focus on the initiatives and activities that will drive innovation and profitability for Saskatchewan producers, while collaborating where makes sense to extend the reach and impact of that work further.

A handwritten signature in black ink that reads "Trent Richards". The signature is written in a cursive, flowing style.

**Trent Richards**  
**BOARD CHAIR**

# EXECUTIVE DIRECTOR'S MESSAGE



The theme of this year's annual report is *Connecting Innovation and Profitability*. This theme captures the wide scope of SPG work, from the research and innovation we fund to market access and grower extension work that enhances profitability of growers today.

Over the past number of years, pulse growers in Saskatchewan have faced many challenges and risks to access in key markets. While we export pulses to over 100 countries, we are dependent on a small number for the vast majority of that volume. Five countries account for 86% of red lentil exports and 89% of yellow pea exports go to just three countries. Maintaining access to the markets we rely on today and diversifying our demand base are both important for growth and risk management for the future.

Market access and market diversification are goals that we share with growers in other provinces and with processors and exporters of pulses. SPG, Pulse Canada, Soy Canada, and others work collaboratively to ensure market access for pulses and soybeans are not impeded by regulations in other countries, transportation system breakdowns, or inefficiencies. Market access work also aims to ensure growers retain access to key crop protection products. In 2022-23, Pulse Canada and other partners were successful in securing increased focus on the Indo-Pacific, with the Government of Canada's announcement of funding for an Agriculture and Agri-Food office in the region. This initiative will assist with market access and market diversification work in this important part of the world. Pulse Canada also led a campaign to ensure an extended interswitching pilot to increase competition for farmers and shippers was launched. These are just a few of the initiatives undertaken to help ensure competitive access to markets of today are maintained.

Due to the high level of reliance on just a few markets for pulse exports, market diversification has been an important priority for the last number of years. The 2022-23 year highlighted the importance of diversifying the market base as part of the long-term strategy. Market access granted for Russian peas into China will add competition to our largest yellow pea market. SPG is leading the foodservice market development work specific to lentils in the United States (U.S.) and Europe to build more demand for lentils in this sector. SPG hosted U.S. foodservice operators in Saskatchewan in July to showcase lentils, which included a farm tour, processor visit, and other stops. Pulse Canada also held a successful Pulse Immersion Days event for pulse ingredient and food manufacturers to showcase the wide range of applications for pulse ingredients in foods. Market development and diversification work is a long-term endeavor. The large demand for peas in China today is due, in part, to the demand building work done over the last 10-15 years. We need to have a long-term view when building the markets of the future.

As we look forward to 2023-24, there is a lot to be optimistic about for pulses. Saskatchewan is a world-leader in pulse production and research. I am proud of the accomplishments of our team over the last year and I feel SPG has best-in-class staff working on growers' behalf advancing research, building new demand, keeping markets open, and delivering important information to growers.

A handwritten signature in black ink, appearing to read 'Carl Potts'. The signature is fluid and cursive, written over a light blue background.

**Carl Potts**  
**EXECUTIVE DIRECTOR**

# 2022-2023 BOARD MEMBERS



Left to right: **Corey Loessin** from Radisson, **Brad Blackwell** from Dinsmore, **Shaun Dyrland** from Kyle, **Trent Richards** - Chair from Assiniboia, **Winston van Staveren** - Vice Chair from Creelman, **Stuart Lawrence** from Rosetown, **Terry Youzwa** from Nipawin, **Robyn Henry** from Hodgeville, **Mario Gaudet** from Melville.

# STAFF MEMBERS



**Carl Potts**  
Executive Director



**Michael Brown**  
Agronomy Manager



**Amanda Carlson**  
Communications Manager



**Allison Fletcher**  
Research Project Manager



**Laurie Friesen**  
Seed Program Manager



**Cheryl Gore**  
Senior Administrative  
Assistant



**Jasmine Hanson**  
Digital Marketing  
Manager



**Amber Johnson**  
Director of Marketing &  
Communications



**Jeff Juhnke**  
Director of Finance &  
Operations



**Anna Ladynska**  
Administrative Assistant



**Margaret Parsons**  
Senior Accounting  
Technician



**Meagen Reed**  
Agronomy Manager



**Sherrilyn Phelps**  
Director of Research &  
Development



**Shelly Weber**  
Levy Manager

## OUR **MISSION**

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

## OUR **VISION**

Nourishing the world with profitable pulse production.



# KEY RESULT AREAS

**BUILDING DEMAND** by expanding the use of pulses through increased exports and new market opportunities

- The Canadian pulse industry is working together to build new markets and uses for at least 25% of Canada's pulse production by the year 2030. To do this, we must demonstrate the value pulses and pulse ingredients have to offer food companies and end-users, including their nutritional benefits, and the role pulses can play in sustainable food production.

**INCREASING YIELDS OF ESTABLISHED PULSE CROPS** by unlocking yield potential and reducing agronomic constraints growers are facing

- On-farm yield gains for growers come from continued enhancement of genetic yield potential and from reducing the agronomic constraints to achieving that maximum economic yield. To support this work, we must invest in furthering genetics, and undertake work to reduce the impact of weeds and diseases on peas and lentils.

**DEVELOPING NEW PULSE CROP OPTIONS** with the goal of at least one 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. Fostering the development of soybeans, faba beans, chickpeas, dry beans, and fenugreek is key to achieving our goal.

**EXPANDING MARKET ACCESS** by ensuring growers have access to a high-functioning transportation system and that trade barriers are resolved

- 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, along with other provincial pulse organizations, provide funding to our national associations, Pulse Canada and Soy Canada, to lead work in market access and transportation that impacts pulse and soybean farmers at a national level.

**ENGAGING WITH GROWERS** to ensure we understand and are meeting the needs of pulse growers in Saskatchewan

- We regularly engage with growers to ensure we are providing relevant, timely, practical, and research-supported production information. Through interactive engagement we also aim to demonstrate the value SPG is providing to growers in our efforts focused on market development, transportation, and market access.

# 2022-2023 MILESTONES THROUGHOUT THE YEAR

## SEPTEMBER

SPG presented an overview of the pulse sector including a crop update focused on seeded acres, yields, production, and quality from 2022 to an **incoming buyers group from the Middle East** facilitated by Saskatchewan Trade & Export Partnership (STEP).

## OCTOBER

SPG partnered with Pulse Canada to collect and submit 16 chickpea samples, produced in 2022, for **chlorothalonil residue testing**. These chickpea samples represented a wide range of fungicide application patterns, and all came back as having non-detectable levels of chlorothalonil residue.

## NOVEMBER

In response to the removal of the existing **lambda-cyhalothrin** label in Western Canada made by the Pest Management Regulatory Agency (PMRA), SPG, with support and direction from Pulse Canada and in collaboration with Sask Wheat, SaskCanola, and SaskBarley, released a crop and pest insecticide product brochure for the 2023 growing season. This collaborative [publication](#) outlines the insecticide options for growers with the removal of lambda-cyhalothrin products in Western Canada for 2023.

## DECEMBER

SPG, alongside APG, MPSG, and OBG, collaboratively submitted 14 projects into the **new Pulse Science Research Cluster** of which 12 were ultimately approved for the program. SPG is contributing a total of \$5 million towards nine of the projects.

## JANUARY

SPG's **Annual General Meeting (AGM)** was held in-person and virtually on January 9 with 51 voting growers in attendance. At the meeting Gordon Bacon, past CEO of Pulse Canada, was recognized with the **Pulse Promoter Award**.

Seventeen **new pulse-specific research projects** were announced for co-funding through ADF where SPG's investment of over \$3 million was leveraged for a total of \$6.8 million in total [pulse research funding](#).

## FEBRUARY

The **Root Rot Rodeo** Re-ride was organized and hosted by the Root Rot Task Force and held during the Canadian Pulse Research Workshop in February where recent findings and current ongoing research was presented on mitigating root rot in peas and lentils in Western Canada.

## MARCH

SPG hosted **Winter Pulse Meetings** with one full-day in-person and virtual event and three half-day in-person events in 2023. Four meetings were held between February and March with a focus on regionally-specific agronomic and market information in Regina, Assiniboia, Elrose, and Melfort. Meetings saw a total of 485 attendees across the four locations and garnered 386 [recording](#) views to date.





## APRIL

SPG released three **new pulse varieties** to select seed growers in Saskatchewan including a high-yielding green pea (CDC Huskie), a high-yielding large red lentil (CDC Monarch), and a low vicine/convicine white-flowered faba bean. The first varieties from the Limagrain & SPG breeding collaboration were also sublicensed to Canterra (one yellow pea and two Clearfield® lentil varieties) and Alliance Seeds (one yellow pea variety). Seed from these varieties is in pedigreed seed production with one lentil line possibly being available as early as 2025 for commercial production.

## MAY

Seven new **applied research and demonstration (ARD) trials** were implemented with eight AgriARM sites across Saskatchewan. Three additional trials were continued from previous years for a total of 10 projects in 2022-23. These trials focus on grower-targeted research and demonstrations including minor crop agronomy, disease management, and pea and lentil fertility. **Pulse replicated on-farm independent trials (PROFIT)** were reinvigorated in 2023 in response to grower interest in evaluating technology and research results on-farm to validate under field-scale conditions. Seventeen lentil seeding rate trials were implemented through a collaboration with Indian Head Agricultural Research Foundation (IHARF). Two additional trials on dry beans were also initiated directly by SPG on plant populations under solid seeding systems and evaluation of the foliar biological Envita.

## JUNE

SPG staff organized and assisted in survey training for AAFC's Dr. Michelle Hubbard's **chickpea health survey** in Assiniboia. Training was attended by Saskatchewan Crop Insurance Corporation (SCIC) and Ministry of Agriculture staff.

## JULY

A total of 19 U.S. foodservice operators attended a **farm tour** in Saskatchewan to learn about the story behind the journey of lentils from farm to plate. The tour featured stops including research plots, full-scale farm, primary and secondary processing, food product innovation, culinary demonstration, and a hands-on kitchen activity, all highlighting lentils and their use on foodservice menus.

## AUGUST

SPG staff presented at or attended at over 20 **industry events or field days** throughout July and August. Topics included novel pulses, residual nitrogen in lentils, root rots, lentil seeding rates, lentil staging, new and higher yielding pea and lentil varieties, lentil fertility, regional variety trials, lupin and fenugreek seeding rates, faba bean disease management and agronomy, biological inoculant performance in pea, and minor use seed treatment label expansion in fenugreek. Attendance across these events included nearly 600 growers and over 300 Pulse Agronomy Network members.



# BUILDING DEMAND

Expanding the use of pulses through increased exports and new market opportunities



## Lentil Foodservice Outreach in the U.S.

As a result of direct outreach to the foodservice sector in the U.S., a number of new programs and initiatives were launched this year including a new menu launch in commercial foodservice. An interactive on-site event for commercial operators was held in Los Angeles, CA including a presentation from a Saskatchewan farmer and a chef-led cooking demonstration focusing on applying innovative lentil concepts to chain restaurant menus. A new collaborative series of events was also launched in partnership with two other commodity boards to promote lentils and other good-for-you and good-for-the-planet ingredients to college and university dining programs. The first event in this series was held in Summer 2023 at Yale University to seven different campus dining teams from across the North Eastern U.S. Fast Casual sandwich and deli restaurant chain Pret A Manger, with 56 units across the U.S., launched a Spiced Lentil & Chickpea Hot Wrap as a permanent menu item across all locations in Fall 2023.

## Pulse Flour Marketing Campaign

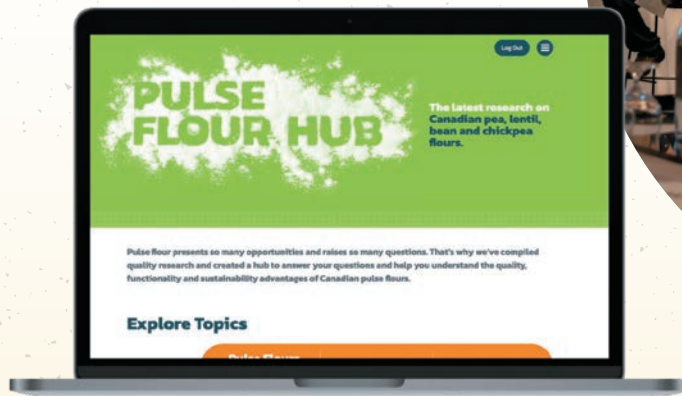
Flour Facts, a pulse flour digital marketing campaign, continued in the 2022-23 year, promoting the nutritional benefits of Canadian pea and lentil flours to food manufacturers in North America and Europe through various organic and paid marketing channels. Overall, the campaign received one million impressions and nearly 1,500 unique views of the [campaign landing page](#). Six inquiries or meetings were a direct result of the campaign with food companies in target categories, including the establishment of an ongoing relationship with a major multinational company. These initiatives serve to expand the growing market for pulse flours in the U.S. and Europe, key target markets as identified through Pulse Canada's strategic plan.


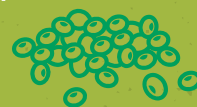
## New Lentil Foodservice Outreach in Europe

In order to continue moving the needle forward on diversifying lentil consumption towards new markets and new uses, it is important to expand the foodservice outreach program into the high-value market of Europe. A comprehensive market analysis was undertaken to identify the markets and audiences of most opportunity which led to partnering with consultants on the ground in three key countries showing promise for increased lentil consumption including The Netherlands, the United Kingdom (U.K.), and Germany. Consultants have now been onboarded and are working in all three countries under strategic oversight from Canadian team members and are now fully operational working towards increasing consumption of Canadian lentils in their markets.

## Pulse Immersion Days

Pulse Canada hosted the first Pulse Immersion Days event in March in Winnipeg. This invite-only event brought together 20 participants from regional, national, and global food manufacturers. Additional attendees from across the pulse value chain including growers and processors were also in attendance to network with manufacturers, while learning about the capacity of the Canadian pulse industry and gaining hands-on experience working with pulse ingredients across a diverse range of food applications. Participants attended tours and demonstrations at Cereals Canada, the Prairie Research Kitchen at Red River College, and the Richardson Centre for Food Technology and Research at the University of Manitoba. Participants also heard from a pulse grower panel, including two of SPG's Directors, about how growers sustainably manage their production practices.



<p><b>15</b> INGREDIENT INDUSTRY EVENTS ATTENDED</p>	<p><b>14</b> HOSTED, SPONSORED, AND FACILITATED EVENTS TO THE INGREDIENT INDUSTRY</p>	<p><b>6</b> PRESENTATIONS TO INGREDIENT INDUSTRY</p>
<p><b>3</b> PUBLICATIONS</p>	<p><b>303</b> NEW FOOD AND INGREDIENT INDUSTRY CONTACTS GENERATED</p>	<p><b>3</b> MAJOR MARKETING CAMPAIGNS</p>
<p><b>8</b> culinary training programs delivered to <b>14</b> foodservice campus dining teams</p>		<p><b>55%</b> of total U.S. consumers say they consume beans, lentils, and legumes at least once per week,</p> <p><b>30%</b> indicate they do so multiple times per week,</p> <p><b>8%</b> note daily consumption</p>
<p> Lentils named one of the <b>Top 10 Culinary Trends</b> that Are Shaping the Food Industry in 2023 <i>(Auguste Escoffier School of Culinary Arts, 2023)</i></p>		
<p><b>31%</b> of total U.S. consumers and <b>46%</b> of students say they want to eat more beans, lentils, and legumes in the next year when dining at restaurants <i>(Datassential, 2023 Plant-Forward Opportunity Report)</i></p> 		

# INCREASING YIELDS & DRIVING ADOPTION

To support yield potential and new crop adoption, we continue to invest in furthering genetics and reducing the impacts of agronomic constraints.

## Root Rot in Peas & Lentils

A national strategy to mitigate root rot in peas and lentils through research, communication, and agronomic initiatives was developed and formalized by members of the Root Rot Task Force including SPG, APG, and MPSG. The Root Rot Task Force hosted the Root Rot Rodeo Re-ride at the Canadian Pulse Research Workshop in February to increase awareness of the new root rot national strategy and showcase recent research results. The conversation worked to drive discussions around project development to mitigate root rot in peas and lentils. SPG committed \$2.9 million to five new root rot research projects, leveraging \$9.2 million from various funding programs for a total of \$12.1 million over the next three to five years in new root rot projects. Projects are focused on further understanding the pathogens involved, exploring resistance to both fusarium and aphanomyces, looking at integrated approaches including agronomics, and developing stronger root systems. SPG also completed a soil sampling diagnostic project optimizing laboratory procedures for more accurate detection of aphanomyces in soil tests, particularly in dry soils. Results determined a longer saturation period than the standard practice of the 7-day bait test is required to more accurately determine aphanomyces infection risk from dry, fall collected soils.

## Outcomes from the 2018–2023 Pulse Science Research Cluster

Under the 2018–2023 Canadian Agricultural Partnership (CAP) AgriScience Cluster program, SPG invested over \$1.3 million into pulse research projects that addressed multiple priorities including developing genetically improved pea varieties, mitigation of root rots, better understanding of nematodes, and new strategies for faba bean utilization and other pulse ingredients. Read more about the [outcomes of SPG's funded projects](#) from this program and other projects supported by other pulse industry partners on [saskpulse.com](http://saskpulse.com).



### INDUSTRY COLLABORATION & EXTENSION

SPG collaborates with industry partners including retail staff, agronomists, manufacturers, and researchers to train, support, and build the pulse industry and ensure those advising growers have the most current information on growing pulses.

### THIS YEAR SPG PARTICIPATED IN:



21 FIELD TOURS



21 EXTENSION EVENTS



22 INDUSTRY AND GROWER FACING MEETINGS



CONNECTED WITH 44 ORGANIZATIONS, 897 GROWERS, AND 976 AGRONOMISTS



## New Pulse Research Funding

SPG, alongside APG, MSPG, OBG, and Pulse Canada collaborated to develop and support the 2023-2028 SCAP AgriScience Pulse Cluster application, a funding program between the federal, provincial, and territorial government to strengthen the competitiveness, innovation, and resiliency of the agriculture and agri-food sector. A national pulse research strategy was previously developed to drive project development which targeted solving issues specific to pulse growers across Canada. A total of 39 project proposals were received, of which 14 made it into the final application, with 12 projects being approved for funding. SPG contributed over \$5 million to nine of the projects including topics on: breeding peas, chickpeas, and dry beans; solutions for root rots; genetic improvement in faba bean; and tools for pulse breeders using imagery.

Saskatchewan Ministry of Agriculture's ADF is an annual funding competition targeting investment into research for developing solutions to emerging issues Saskatchewan Ministry of Agriculture's ADF is an annual funding competition targeting investment into research for developing solutions to emerging issues that constrain production and value-added processing in Saskatchewan. Pulse priorities were included in the call for proposals and SPG works directly with researchers to ensure projects are aligned with SPG's grower priorities. In 2022-23, SPG committed \$3 million for 17 new projects with a total value of \$6.8 million in new pulse research. Research topics include: breeding tools for peas, dry bean, and soybeans; monitoring and managing insects, diseases, viruses, and weeds in pulses; fertility looking at effect of liming on phosphorous availability; processing topics including improving flavours of pulse proteins, novel protein and starch separation techniques, and developing tools for testing for contaminants in grain.

### 2023 REGIONAL VARIETY TRIAL (RVT) SNAPSHOT



Trial results provide regional performance data to the SaskSeed Guide and for publication on **SPG's RVT portal**. This portal allows growers to view yield data by site and year to select varieties best suited to their farm.

### 2022-2023 REBUILD OF R&D INVESTMENT PORTFOLIO



**34** New Projects

**\$11 MILLION**  
in new SPG research & development investment



SPG dollars were leveraged for a total of **\$46 MILLION** in new pulse research this past year

# EXPANDING MARKET ACCESS

Ensuring growers have access to a high functioning transportation system and that trade barriers are resolved.

## Indo-Pacific Region Advocacy

Pulse Canada continued joint advocacy work with Cereals Canada and the Canola Council of Canada for the establishment of a trade diversification office to strengthen Canada's frontline expertise and engagement on agricultural market access issues in the growing Indo-Pacific region. In November, the Government of Canada announced \$31.8 million of funding over five years for a Canadian Indo-Pacific Agriculture & Agri-Food Office (IPAAO). In 2023-24, Pulse Canada will continue to work alongside Cereals Canada and the Canola Council of Canada in ensuring that this office is set up for success and best positioned to address the growing threat of non-tariff trade barriers in the region.

## Canada-India Trade Advisory Group

The 2022-23 year saw revamped bi-lateral discussions between Canada and India towards finalizing an Early Progress Trade Agreement (EPTA) as part of the larger goal of finalizing a Comprehensive Economic Partnership Agreement (CEPA) with India. Pulse Canada played an active role in informing Canada's negotiation position in these negotiations, ensuring a specific intent to improve access for Canadian pulses. While negotiations have been paused by governments, there is no doubt that the pulse industry is best served by positive diplomatic relations between Canada and India. Pulse Canada remains engaged at every level to ensure the focus remains on leveraging and growing the longstanding commercial connections between our countries and industries.



It's time to open a  
**TRADE  
DIVERSIFICATION  
OFFICE** for the  
growing Indo-Pacific market

Visit [growindopacific.ca](http://growindopacific.ca) to learn more.

## FLIP THE SWITCH FOR ECONOMIC GROWTH

Tell your MP you support extended  
interswitching for Canadian Shippers.

Visit [interswitching.ca](http://interswitching.ca)



### Interswitching #FlipTheSwitch Campaign

Budget 2023 proposed to amend the Canada Transportation Act (CTA) to increase the extended interswitching limit in the Prairie provinces on a pilot basis. Pulse Canada led a coalition of groups in creating the "Flip the Switch" advocacy campaign to ensure this pilot was passed as part of the federal budget. The campaign included a [microsite](#) with the group's key asks, an appearance at the Standing Committee on Finance, as well as several lobbying meetings with decision makers in Ottawa. Extended interswitching is a vital tool for Canadian farmers and shippers that is proven to increase competition while lowering costs to shippers and consumers. Ultimately, extended interswitching will strengthen Canada's reputation as a reliable shipper and help grow our exports. The pilot will last 18 months, and focus now moves to working with coalition partners to make the measure permanent.



# ENGAGING WITH GROWERS

To ensure we understand and are meeting the needs of pulse growers in Saskatchewan.

## Seeking Grower Input & Engagement

SPG strives to gather input and feedback from growers in order to activate an engaged audience who are up to date on SPG's work and priorities. There are several communications events and activities undertaken to foster this environment of engagement including SPG's AGM which took place in January with 51 registered producers in attendance. The AGM featured an open forum question and answer period which allowed growers to ask any questions they had of the organization on any topic and fostered positive discussion from those who participated.

SPG's Winter Pulse Meeting extension events are also a strong opportunity for grower engagement. The 2023 series of meetings welcomed a total of 422 attendees across four meetings, including 123 self declared growers and 126 agronomists in the communities of Regina, Assiniboia, Elrose, and Melfort. SPG also communicates regularly on a bi-weekly basis on timely topics to an ever-growing email list of over 5,000 levy contributors. Engagement with growers is an area of key importance to SPG and is monitored on an annual basis. In the 2022 informal grower survey, there was a 7.3% response rate, up 19% year-over-year, and found that over 85% of grower respondents said they believe they receive good or excellent value for their levy contribution.



**SPG LAUNCHED THE NEW SASKPULSE.COM WEBSITE IN JULY 2023 WITH IMPROVED FUNCTIONALITY:**

- Powerful resource library search tools
- Resources digitally optimized for a mobile-first experience
- Improved user experience that suggests content based on topics visited
- Improved navigation
- Easier to find information, when needed, and view or save it for later

## AT A GLANCE: 2022-2023 COMMUNICATIONS ACTIVITY



**20** PULSE AGRONOMY FACT SHEETS & ARTICLES



**10** PULSE RESEARCH SUMMARIES



**7** PULSE SCIENCE RESEARCH CLUSTER PROJECT SUMMARIES



**14** PULSE MARKET REPORTS



**13** PULSE OF THE PRAIRIES PODCAST EPISODES



**4** TECHNICAL WEBINARS

# 85.3%



of growers believe SPG provides good or excellent value in return for their levy contribution

**57,126**  
unique website users  
& **161,063**  
website pageviews

**22%** of pulse growers frequently, and **48%** occasionally access information in SPG's bi-weekly email newsletter



## Breeding & New Variety Communications

SPG is working to not only bring growers new and better-performing pulse varieties but also to promote the benefits of adopting newer and higher-yielding varieties currently on the marketplace. With a brand new breeding collaboration now underway with Limagrain, it is important growers are up to date on what is new and different and was a focus of a number of [breeding communications efforts](#) this year.

One approach SPG is taking to promote new varieties is through an annual New Variety Campaign. The 2022 campaign promoted new yellow pea, green pea, and small red lentil varieties using several traditional advertising mediums including print, radio, billboard, and captive advertisements as well as digital and social media advertising. The campaign drew over 2,000 sessions on the campaign landing page from over 12 million ad impressions.

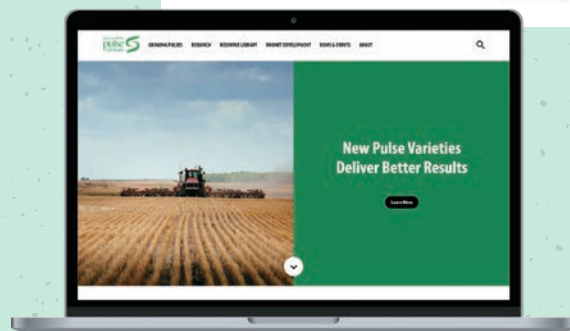
Additionally, SPG hosted the first Pulse Variety Seminar, a virtual webinar replacing the previous Select Seed Grower closed meeting in order to bring variety information, regulatory landscape information, and highlight tools to make variety selection and data mining easier for growers, agronomists, and industry stakeholders. Over 250 attendees joined for the inaugural event in January.

Finally, SPG continued promoting the Pulse RVT Portal which works to transparently share data from the RVT program and allows users to compare varieties across sites, years, and other varieties. The portal garnered over 12,000 pageviews this past year.

These efforts were deployed to ensure growers have the most timely and complete variety information available to them in order to make informed decisions for their farm, taking advantage of new and better-performing technology.



An advertisement for CDC Meadow Yellow Peas. The background is a field of yellow pea plants. The text reads: "STILL GROWING CDC MEADOW YELLOW PEAS? TRY AN IMPROVED VARIETY FOR HIGHER YIELDS! Higher yield, higher reward." Below this, three varieties are listed: AAC PROFIT (Very high yielding, 20% higher yield than CDC Meadow), CDC CANARY (11% higher yield, early maturity), and CDC LEWOCHKO (highest protein, 13% higher yield). The Saskatchewan Pulse Growers logo is at the bottom right. A URL for more information is provided at the bottom left.



# INDUSTRY PARTNERSHIPS & COLLABORATIONS

SPG actively partners and collaborates with a number of organizations to ensure that pulse growers have an amplified voice for their issues and concerns in strategic and priority areas key to the success of the pulse and agriculture industries.



SPG prioritizes work in the areas of market access and market development through a long-standing strategic partnership with Pulse Canada. Pulse Canada is focused on increasing value for Canadian-grown pulses and in turn profitability for Canadian growers. Pulse Canada's work is focused in the areas of market access including trade, transportation, and crop protection products, and active outreach on market development and sustainability.



SPG advocates for pulse growers on key national issues at the federal government level through partnership with Grain Growers of Canada (GGC). GGC represents over 65,000 grain growers from coast to coast under one united voice to advocate and influence federal policy and take decisions that support the competitiveness and profitability of Canadian agriculture, especially in areas such as business risk management programs, sustainability, and transportation.



SPG works with Soy Canada to advance issues pertinent to removing barriers and growing markets for Canadian-grown soybeans. Soybeans are a relatively new and smaller acre crop in Saskatchewan, but through Soy Canada, soybean growers have national representation uniting the full soybean value chain from farm to marketplace on issues like trade policy and market access, industry profile building, and coordination of soybean research and innovation.



SPG works to cultivate public trust and education around agriculture and pulses through partnership and support of Agriculture in the Classroom (AIRC) Saskatchewan. AIRC works with school-aged children across Saskatchewan, creating agricultural educational resources and delivering content to students where they learn where their food comes from and an appreciation for and importance of the land, animals, and the farmers that sustain it.



SPG works to cultivate public trust, respect, and understanding of agriculture and Canadian-grown pulses to urban Saskatchewan communities through partnership and support of Farm & Food Care (FFC) Saskatchewan. FFC brings together farmers, ranchers, and everyone involved in food production to help connect consumers with the food on their plates and the science-based farming practices behind it.



SPG supports breaking the stigma around mental health in agriculture through support of The Do More Agriculture Foundation (Do More Ag). Do More Ag works to educate the agriculture industry on mental health, breaking the stigma that currently exists, creating a community of belonging, support and resources, and ensuring research in this field can continue.

# ADVOCACY INITIATIVES

## SaskCrops Collaboration

Saskatchewan crop development commissions began working more collaboratively in 2021-22 to advocate on behalf of growers on broad policy issues under the group name SaskCrops, which includes SPG, Sask Wheat, SaskCanola, SaskBarley, SaskFlax, and SaskOats. Environment and climate change policy remains a primary topic of focus this year along with other broad policy issues of importance to all growers.

## Pulse Day on the Hill

Pulse Canada staff and Directors, including two SPG Director representatives, held meetings in Ottawa in February as part of the launch of the [2022 Environmental and Economic Impact Report](#), termed the "Impactful Report". The Impactful Report quantifies the environmental and economic benefits of Canadian pulse crops and demonstrates that, thanks to the adoption of modern agricultural practices and the nitrogen fixation benefits of pulses, Canadian pulse growers are currently responsible for removing 3.6 million tonnes of CO<sub>2</sub> every year from the environment, and under realistic growth scenario could have the potential to remove an additional 1.4 million tonnes every year to 2030. To accomplish this, investments are needed to improve varieties and help growers better manage disease pressures. Over three days more than 25 meetings were held with Members of Parliament, Senators, political staff, and senior civil servants on topics of sustainability, transportation, trade, and crop protection. The launch also included a corresponding digital marketing campaign targeted at Ottawa lawmakers with a call to action to download an executive summary of the report.

## Bill C-282: Supply Management

Pulse Canada, through its strategic partnership with the Canadian Agri-Food Trade Alliance (CAFTA), has been outspoken in the criticism of Bill C-282, an Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management). The bill aims to prevent Canada's trade minister from making any further concessions on supply-managed commodities, including dairy, chicken, eggs, and turkey, in international trade negotiations. Not only does the bill contradict established trade rules, it severely constrains Canada's ability to negotiate the best free trade agreements for all sectors of the Canadian economy, agriculture and non-agriculture alike. Pulse Canada took this message to the Standing Committee on International Trade to communicate that, if this bill passes, the end result is a less ambitious free trade agenda and less commercially-meaningful outcomes for Canadian pulse growers. The Bill is currently in the Senate, and CAFTA will continue to advocate for its defeat.

## Submission to AAFC Sustainable Agriculture Strategy consultation

SPG worked with SaskCrops and Pulse Canada on two collaborative submissions to AAFC's Sustainable Agriculture Strategy Consultation. The consultation was launched with the goal of developing a sustainable agriculture strategy that will improve environmental performance in the sector, support farmer livelihoods, and strengthen the Canadian agricultural industry. Submissions outlined recommendations and feedback related to addressing data gaps and improving measurement capacity regarding environmental performance and benchmarking; approaches to overcome barriers and advance environmental outcomes; and creating clearly defined metrics and processes for collecting data on environmental performance.

# DISCUSSION OF SPG FINANCIAL RESULTS FOR 2022-23

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SPG's operations in 2022-23 resulted in a surplus of \$5.6 million which exceeded the budgeted surplus of \$3.1 million due primarily to SPG being under budget in a few operational areas, particularly in research.

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## Where We Are

Beginning in 2019-20, commodity prices increased from previous lows resulting in substantially higher SPG revenues compared to expenditures. SPG has been working to rebuild a strong investment portfolio focused on strategically significant research and market development investments, with appropriate leveraging, to ensure grower dollars go as far as possible. It has taken longer than expected to find enough high-quality projects to increase investments to budgeted levels, which has resulted in a surplus in 2022-23. SPG has plans for a number of large strategic investments over multiple years and plans to make up to \$14 million in additional research commitments from accumulated surpluses in the 2023-24 fiscal year.

These would have pushed research and development expenditures over \$7 million. These investments are expected to be realized in 2023-24. Market development and communications expenditures were increased by \$600,000 combined relative to 2021-22 spending and ended under budget by \$169,000. Total SPG expenditures were up \$300,000 from 2021-22 spending but ended about \$2.6 million under budget, mostly due to research and development spending being under budget.

The result of strong pulse prices with more available quantities of pulses, coupled with being under budget in a few program areas resulted in a surplus of \$5.6 million, \$2.5 million over the budgeted surplus.

## 2022-23 Results Discussion

The 2022 crop production year produced a healthy supply of pulses that continued to sell at historically high prices. The overall levy for the year fell short of budget by about \$850,000 but was still extremely strong at \$16.2 million, with overall revenues of \$18.1 million – the highest year of revenue since levy was decreased to 0.67% in 2016.

On the expenditure side, research and development expenses remained essentially the same as the prior year at \$6.2 million, about \$2.3 million under budget. SPG had an additional \$800,000 in potential projects where leveraging was not finalized by SPG's fiscal year-end that did not allow the related contracts to be finalized and recognized in the past fiscal year.

# INDEPENDENT AUDITORS' REPORT



## To the Members of Saskatchewan Pulse Crop Development Board

### Qualified Opinion

We have audited the financial statements of Saskatchewan Pulse Crop Development Board ("SPG"), which comprise the statement of financial position as at August 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 Saskatchewan Pulse Crop Development Board as at August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

SPG collects a levy from Saskatchewan producers through buyers of pulses, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of pulses produced in Saskatchewan have collected and remitted the required levy to SPG. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of SPG. 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 the year ended August 31, 2023, current assets as at August 31, 2023 and August 31, 2022, and net assets at both the beginning and end of the August 31, 2023 and August 31, 2022 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of SPG in accordance with the 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 opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 financial statements, management is responsible for assessing SPG's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate SPG or to cease operations, or has no realistic alternative but to do so.

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

## Independent Auditors' Report (continued)

### Auditors' Responsibilities for the Audit of Financial Statements

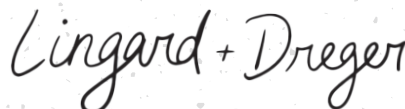
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee 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 misstatements 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 SPG'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 SPG's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause SPG 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.

**Saskatoon, Saskatchewan  
December 5, 2023**



**Chartered Professional Accountants**

# BOARD OF DIRECTORS EXPENSES 2022-23

(unaudited)

	<b>Honoraria</b>	<b>Expenses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Brad Blackwell	11,008	11,949	22,957
Corey Loessin	10,233	10,751	20,985
Jason Hennes	4,356	4,366	8,722
John Bumbac	6,666	7,941	14,607
Mario Gaudet	7,126	6,610	13,736
Robyn Henry	4,677	4,249	8,926
Shaun Dyrland	7,233	8,352	15,586
Stuart Lawrence	6,507	5,886	12,393
Terry Youzwa	10,113	8,767	18,879
Trent Richards	13,649	8,072	21,721
Winston van Staveren	17,206	22,187	39,393
	98,774	99,129	197,904

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## STATEMENT OF FINANCIAL POSITION

as at August 31, 2023

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
<b>CURRENT</b>	<b>\$</b>	<b>\$</b>
Cash	2,682,128	2,488,706
Investments (Note 3)	10,888,200	10,752,277
Accounts receivable (Note 4)	2,628,905	2,803,302
Prepaid expenses and deposits	642,332	245,528
Accrued interest receivable	169,726	79,055
Breeder seed inventory	241,981	318,383
	<b>17,253,272</b>	<b>16,687,251</b>
<b>INTERNALLY RESTRICTED INVESTMENTS</b> (Note 3)	<b>1,600,000</b>	<b>1,600,000</b>
<b>INVESTMENTS</b> (Note 3)	<b>18,508,790</b>	<b>13,927,749</b>
<b>TANGIBLE CAPITAL ASSETS</b> (Note 5)	<b>655,979</b>	<b>655,487</b>
	<b>38,018,041</b>	<b>32,870,487</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	550,034	1,035,211
<b>NET ASSETS</b>		
<b>INVESTED IN TANGIBLE CAPITAL ASSETS</b>	<b>655,979</b>	<b>655,487</b>
<b>INTERNALLY RESTRICTED</b> (Note 10)	<b>17,800,000</b>	<b>20,000,000</b>
<b>UNRESTRICTED</b>	<b>19,012,028</b>	<b>11,179,789</b>
	<b>37,468,007</b>	<b>31,835,276</b>
	<b>38,018,041</b>	<b>32,870,487</b>

**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, 2023

	2023 Budget <i>(Unaudited) (Note 13)</i>	2023 Actual	2022 Actual
<b>REVENUE</b>			
<b>INDUSTRY REVENUE</b>			
	\$	\$	\$
Levy	17,000,000	16,157,398	14,478,170
Variety commercialization	192,000	277,011	357,733
Sponsorship	12,500	32,500	20,000
	17,204,500	16,466,909	14,855,903
<b>GOVERNMENT FUNDING</b>			
Government of Saskatchewan	35,000	50,914	54,820
Canadian Agriculture Human Resource Council	—	—	7,500
<b>INVESTMENT INCOME</b> <i>(Note 11)</i>	200,000	943,454	280,245
<b>UNREALIZED GAINS (LOSSES)</b>	—	10,425	(108,659)
<b>EXPENSE REIMBURSEMENTS</b>	375,000	190,316	471,633
<b>OTHER REVENUE</b>	387,671	445,985	266,372
	18,202,171	18,108,003	15,827,814
<b>EXPENSES</b>			
<b>RESEARCH AND DEVELOPMENT</b>			
Pulse breeding	2,657,318	2,232,547	3,268,141
Agronomy and sustainability	2,282,983	1,435,654	1,164,435
Genetic improvement	1,392,648	896,658	636,875
Processing	1,029,654	655,140	611,122
Strategy development and support	1,144,615	1,025,019	991,781
	8,507,218	6,245,018	6,672,354
<b>MARKET DEVELOPMENT</b>			
Canadian lentil promotion	1,000,000	879,603	915,553
Market development – External <i>(Note 8)</i>	1,133,333	1,138,114	925,000
Other promotion and support	165,510	147,074	139,200
	2,298,843	2,164,791	1,979,753
<b>COMMUNICATION</b>			
	1,155,770	1,120,501	741,161
<b>MARKET ACCESS</b> <i>(Note 8)</i>			
	775,000	785,554	775,000
<b>VARIETY COMMERCIALIZATION</b>			
	671,500	464,964	610,423
<b>LEADERSHIP AND MANAGEMENT</b>			
Board of directors	353,870	325,881	230,007
Management and administration	1,296,900	1,368,563	1,190,048
	1,650,770	1,694,444	1,420,055
	15,059,101	12,475,272	12,198,746
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>3,143,070</b>	<b>5,632,731</b>	<b>3,629,068</b>

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## STATEMENT OF CHANGES IN NET ASSETS

for the year ended August 31, 2023

	Invested in capital assets	Internally restricted	Unrestricted	2023 Total	2022 Total
	\$	\$	\$	\$	\$
<b>NET ASSETS, BEGINNING OF YEAR</b>	655,487	20,000,000	11,179,789	31,835,276	28,206,208
<b>EXCESS OF REVENUE OVER EXPENSES</b>	—	—	5,632,731	5,632,731	3,629,068
<b>TRANSFER FROM RESTRICTED NET ASSETS</b> <i>(Note 10)</i>	—	(2,200,000)	2,200,000	—	—
<b>ADDITION OF TANGIBLE CAPITAL ASSETS</b>	17,692	—	(17,692)	—	—
<b>DISPOSAL OF TANGIBLE CAPITAL ASSETS</b>	(2,220)	—	2,220	—	—
<b>LOSS ON DISPOSAL OF TANGIBLE CAPITAL ASSETS</b>	(1,397)	—	1,397	—	—
<b>AMORTIZATION</b>	(13,583)	—	13,583	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>655,979</b>	<b>17,800,000</b>	<b>19,012,028</b>	<b>37,468,007</b>	<b>31,835,276</b>

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## STATEMENT OF CASH FLOWS

for the year ended August 31, 2023

	2023	2022
	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>EXCESS OF REVENUE OVER EXPENSES</b>	5,632,731	3,629,068
<b>CHANGES TO INCOME NOT INVOLVING CASH:</b>		
Amortization	13,583	10,611
Realized gains	(38,260)	(46,900)
Unrealized (gains) losses	(10,425)	108,659
Loss on disposition of tangible capital assets	1,397	—
	5,599,026	3,701,438
<b>CHANGES IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS:</b>		
Accounts receivable	174,397	(336,867)
Inventory	76,402	88,296
Prepaid expenses and deposits	(396,804)	(46,554)
Accrued interest receivable	(90,671)	(23,614)
Accounts payable and accrued liabilities	(485,176)	(39,190)
Deferred revenue	—	(87,500)
	(721,852)	(445,429)
<b>TOTAL FROM OPERATING ACTIVITIES</b>	4,877,174	3,256,009
<b>INVESTING ACTIVITIES</b>		
Proceeds on disposal of tangible capital assets	2,220	—
Purchases of tangible capital assets	(17,692)	(11,360)
Proceeds from redemptions of fixed income investments	11,993,846	13,322,306
Purchase of investments	(16,662,126)	(16,491,375)
<b>TOTAL USED BY INVESTING ACTIVITIES</b>	(4,683,752)	(3,180,429)
<b>INCREASE IN CASH DURING THE YEAR</b>	193,422	75,580
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	2,488,706	2,413,126
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<b>2,682,128</b>	<b>2,488,706</b>

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## NOTES TO FINANCIAL STATEMENTS

for the year ended August 31, 2023

### 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 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:

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

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) Inventory:

The inventory balance consists of harvested beans, faba beans, peas, chickpeas, and lentils and is measured at the lower of cost and net realizable value. Costs are determined using the weighted average method using only input costs. Input costs include labour, registration, and other direct costs. Net realizable value is the estimated selling price in the ordinary course of business, less any provisions for impairment. SPG recognized \$272,588 of inventories as an expense during the year (2022 - \$409,348).

#### (d) Tangible capital assets:

Tangible 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 tangible 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

#### (e) Impairment of long-lived assets:

Long-lived assets, which comprise tangible 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.

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2023

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(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 tangible capital assets.

**(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:

	2023	2022
	\$	\$
<b>FIXED INCOME</b>	26,892,539	20,309,617
<b>CASH AND CASH EQUIVALENTS</b>	2,687,688	4,639,643
<b>EQUITY FUNDS</b>	1,416,763	1,330,766
	30,996,990	26,280,026
<b>CURRENT ASSETS:</b>		
Investments	10,888,200	10,752,277
<b>LONG-TERM ASSETS:</b>		
Internally restricted investments	1,600,000	1,600,000
Investments	18,508,790	13,927,749
	30,996,990	26,280,026

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2023

### 3. INVESTMENTS (continued)

The investment balance is a result of the excesses of revenue over expenses from operations in prior years and the current year due to increased volume and value of pulse production. These investments are held in reserve and provides flexibility to cover expenditure commitments in years where operations result in a cash shortfall. 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:

	2023	2022
	\$	\$
<b>LEVY RECEIVABLES</b>	1,771,556	1,910,599
<b>OTHER RECEIVABLES</b>	857,349	892,703
	2,628,905	2,803,302

### 5. TANGIBLE CAPITAL ASSETS

The tangible capital assets balance consists of the following:

			2023	2022
			\$	\$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
<b>EQUIPMENT</b>	254,194	236,053	18,141	15,614
<b>LEASEHOLD IMPROVEMENTS</b>	207,291	207,291	—	2,035
	461,485	443,344	18,141	17,649
<b>LAND</b>	637,838	—	637,838	637,838
	1,099,323	443,344	655,979	655,487

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2023	2022
	\$	\$
<b>TRADE PAYABLES</b>	171,054	188,434
<b>R&amp;D CONTRACTS PAYABLE</b>	273,673	673,177
<b>GST PAYABLE</b>	73,439	91,279
<b>PAYROLL LIABILITIES</b>	31,868	82,321
	550,034	1,035,211

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2023

### 7. 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	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$
	4,182,221	3,307,819	2,618,224	1,316,994	5,671

### 8. 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 Pulse & Special Crops Trade Association (CPSC). 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. Initiatives related to transportation and eliminating barriers associated with accessing equipment and rail service to reduce risk in transporting products.
- **Market 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 total expenditures for the year ended August 31, 2023 were \$1,923,668 (2022 - \$1,700,000). The amount committed for future years are below:

YEAR ENDING AUGUST 31	\$
2024	2,300,000
2025	2,300,000
2026	2,091,667
2027	1,800,000
2028	1,050,000

### 9. COMMITMENTS

Commitments include a ten-year lease agreement with Canwest Commercial & Land Corp. for the premises at 235 - 415 Wellman Crescent, Saskatoon, Saskatchewan, that expires September 2033, 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	\$
2024	159,024
2025	143,797
2026	143,797
2027	143,797
2028	143,797
Thereafter	758,294

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2023

### 10. INTERNALLY RESTRICTED NET ASSETS

SPG has updated its reserve policy to better reflect its operations. SPG established a closure reserve to cover expected organization closure costs should the organization be wound down and holds restricted investments of \$1,600,000 to match this reserve. SPG has also decreased its reserve for Revenue Variability by \$2,200,000 (2022 - \$4,300,000 increase) to cover for potential shortfalls in levy revenue. This reserve has been set at \$16,200,000 (2022 - \$18,400,000) and is supported by current assets as well as unrestricted long-term investments.

### 11. INVESTMENT INCOME

Investment income consists of the following:

	2023	2022
	\$	\$
<b>INTEREST</b>	863,056	194,619
<b>DIVIDENDS</b>	42,138	38,726
<b>REALIZED GAINS</b>	38,260	46,900
	943,454	280,245

### 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. SPG mitigates interest rate risk by investing in a diversified portfolio of fixed income investments with various maturity dates.

#### 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. As at August 31, 2023 three customers accounted for 36% (2022 - 42%) of accounts receivable, representing SPG's maximum exposure associated with the collection of these receivables.

#### 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. SPG mitigates this risk by investing in a diversified portfolio of equity securities.

#### Liquidity risk

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

### 13. BUDGETED FIGURES

Budgeted figures are unaudited and are based on the budget approved by the Board on July 20, 2022 and presented at the Annual General Meeting. No revisions were made after this date.

### 14. ALLOCATION OF EXPENSES

Human resources expenses of \$1,109,669 (2022 - \$1,035,837) have been allocated based on the proportion of the employees' roles within each department as follows:

	2023	2022
	\$	\$
<b>RESEARCH AND DEVELOPMENT</b>	592,202	525,075
<b>MARKET DEVELOPMENT</b>	122,551	117,670
<b>COMMUNICATIONS</b>	232,546	222,527
<b>VARIETY COMMERCIALIZATION</b>	162,370	170,565
	1,109,669	1,035,837

### 15. COMPARATIVE FIGURES

Certain August 31, 2022 comparative figures have been reclassified to conform to the presentation adopted for the current year.



# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## SCHEDULE 1 – SCHEDULE OF EXPENSES

for the year ended August 31, 2023

	2023 Budget <i>(Unaudited) (Note 13)</i>	2023 Actual	2022 Actual
<b>RESEARCH AND DEVELOPMENT</b>			
<b>PULSE BREEDING</b>			
Variety improvement	\$ 2,657,318	\$ 2,232,547	\$ 3,268,141
<b>AGRONOMY AND SUSTAINABILITY</b>			
Integrated pest management			
Disease	955,683	686,283	363,570
Weeds	305,241	89,913	397,658
Insects	125,156	105,773	33,375
Plant health & fertility	281,263	225,779	178,830
Soil systems & sustainability	255,408	68,751	54,855
Crop physiology & abiotic stress	50,000	19,500	64,537
Agronomy other	310,232	239,655	71,610
	2,282,983	1,435,654	1,164,435
<b>GENETIC IMPROVEMENT</b>			
Breeding tools	1,251,648	841,658	166,963
Disease resistance	141,000	55,000	469,912
	1,392,648	896,658	636,875
<b>PROCESSING AND UTILIZATION</b>			
Pulse processing	1,015,150	633,827	600,508
Pulses and feed	14,504	21,313	10,614
	1,029,654	655,140	611,122
<b>STRATEGY DEVELOPMENT AND SUPPORT</b>			
	1,144,615	1,025,019	991,781
	8,507,218	6,245,018	6,672,354

# SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

## SCHEDULE 1 – SCHEDULE OF EXPENSES (continued)

for the year ended August 31, 2023

	2023 Budget <i>(Unaudited) (Note 13)</i>	2023 Actual	2022 Actual
	\$	\$	\$
<b>MARKET DEVELOPMENT</b>			
<b>LENTIL PROMOTION</b>	1,000,000	879,603	915,553
<b>MARKET DEVELOPMENT – EXTERNAL</b> <i>(Note 8)</i>	1,133,333	1,138,114	925,000
<b>OTHER PROMOTION AND SUPPORT</b>	165,510	147,074	139,200
	2,298,843	2,164,791	1,979,753
<b>COMMUNICATIONS</b>			
<b>GROWER COMMUNICATIONS</b>	700,000	673,716	359,372
<b>INDUSTRY AND EXTERNAL COMMUNICATIONS AND SUPPORT</b>	455,770	446,785	381,789
	1,155,770	1,120,501	741,161
<b>MARKET ACCESS</b> <i>(Note 8)</i>	775,000	785,554	775,000
<b>VARIETY COMMERCIALIZATION</b>			
<b>BREEDER SEED</b>	450,000	272,588	409,348
<b>EXTENSION ACTIVITIES AND SUPPORT</b>	221,500	192,376	201,075
	671,500	464,964	610,423
<b>LEADERSHIP AND MANAGEMENT</b>			
<b>BOARD OF DIRECTORS</b>			
Election	88,800	84,968	10,490
Honoraria, benefits, and allowances	133,770	121,670	123,280
Professional fees	18,250	—	5,647
Travel	76,200	90,204	61,613
Other	36,850	29,039	28,977
	353,870	325,881	230,007
<b>MANAGEMENT AND ADMINISTRATION</b>			
Professional fees	121,000	207,901	93,408
Rent and occupancy	284,000	263,412	247,211
Salaries and benefits	589,700	590,118	554,463
Travel	26,000	21,073	11,060
Other	276,200	286,059	283,906
	1,296,900	1,368,563	1,190,048
	<b>15,059,101</b>	<b>12,475,272</b>	<b>12,198,746</b>

# INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE



## To the Members of Saskatchewan Pulse Crop Development Board

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

- The Agri-Food Act, 2004
- The Pulse Crop Development Plan Regulations
- Board Orders No. 16/15 to 23/19

### Management's Responsibility

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

### Our Responsibility

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

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they

could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements.

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

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

### Our Independence and Quality Control

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

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

### Opinion

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

Saskatoon, Saskatchewan  
December 5, 2023

Chartered Professional Accountants

# INDEPENDENT AUDITORS' REPORT



## To the Members of Saskatchewan Pulse Crop Development Board

We have audited Saskatchewan Pulse Crop Development Board's control as of August 31, 2023 to express an opinion as to the effectiveness of its control related to the following objectives:

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

### Management's Responsibility

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

### Auditors' Responsibility

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

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

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

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

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CPA Canada Handbook - Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance as to effectiveness of 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 and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, and not absolute assurance, the objectives referred to above may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

### Opinion

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

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of Saskatchewan Pulse Crop Development Board's, which comprise the statement of financial position as at August 31, 2023, and the statements of operations, change in net assets, cash flows, and a summary of significant accounting policies and other explanatory information. We have issued our report dated December 5, 2023, which is the same date as the date of the report on the effectiveness of internal controls.

Saskatoon, Saskatchewan  
December 5, 2023

Chartered Professional Accountants

# INDEPENDENT AUDITORS' REPORT



## To the Board of Directors of Saskatchewan Pulse Crop Development Board

We have examined the financial statements of Saskatchewan Pulse Crop Development Board for the year ended August 31, 2023 and have issued our report thereon dated December 5, 2023. We have examined the system of internal control as at August 31, 2023 and have issued our report to you dated December 5, 2023. 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, 2023 and have issued our report to you dated December 5, 2023.

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.

**Saskatoon, Saskatchewan  
December 5, 2023**

*Lingard + Dreger*

**Chartered Professional Accountants**



SASKATCHEWAN  
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