



EVOLVING THE PULSE LANDSCAPE

ANNUAL REPORT
2023-2024





Chair's MESSAGE

Saskatchewan Pulse Growers (SPG) is evolving the pulse landscape by focusing on growers' greatest challenges.

This past year SPG's Board developed and launched a new strategic plan to guide the organization's efforts towards 2030. That plan brought forth an increased focus on specific strategies to address critical issues facing growers today including a multi-disciplinary approach to finding solutions to root disease, expanding partnerships in pulse breeding, increasing research capacity through infrastructure and people development, as well as a renewed spotlight on advocacy initiatives on behalf of growers.

Root rot diseases continue to be an existential threat to pulse growers in Saskatchewan, especially as we saw increased moisture in 2024 from previous years. SPG leads the force to tackle this issue in collaborative ways including work happening through the Root Rot Task Force (RRTF), developing action plans, launching a new website hub for root rot information ([rootrot.ca](https://www.rootrot.ca)), and calling for proposals from around the globe to bring new eyes to the issue. SPG also initiated funding for nine new root rot specific research projects in 2023-24, contributing \$2.4 million which was leveraged to a total of \$13 million in new root rot research funding.

Building capacity within research and development is key to a thriving innovation pipeline working to solve growers' challenges. The Agriculture Applied Research Management (AgriARM) Network works to execute producer-directed projects, focused on the extension of

their results, and are an important resource to continue improving production practices and technologies. SPG is proud to have provided \$200,000 per AgriARM site this year to help expand their capacity.

I had the privilege and opportunity to represent the sector on a trade mission to Thailand and Japan this past year alongside colleagues at Soy Canada. It is an honour to promote Saskatchewan growers' interests internationally and advocate for fair and reliable trade, and create new market opportunities to increase demand for our products in key markets around the world. Fellow SPG Board members represented the sector in the European Union and China this past year as well.

As I reflect on this past year, I believe SPG is focused on the strategically important work that will evolve the pulse landscape into the future and advance growers' interests from innovative on-farm solutions to creating new demand opportunities and advocating for growers to ensure sustainable market access globally.

Winston van Staveren
BOARD CHAIR

Executive Director's MESSAGE



The global pulse landscape is changing and at SPG, we are out in front and leading the way for the future. In 2023-24, a major focus for SPG was to ramp up investments in high-priority research. During the year, we initiated 23 new research projects, with \$5.4 million in new SPG investment. SPG funds leveraged funding from other partners in a 3.5 to 1 ratio, for a total of \$24.9 million in new pulse research in areas of high priority for growers, which are outlined in more detail in this year's report.

SPG continues to evolve the pulse breeding landscape to attract and retain new investment and additional breeders for pulses in Western Canada. SPG is into the third season of its breeding partnership with Limagrain and is actively pursuing new partnerships with additional breeding organizations, including with the Crop Development Centre at the University of Saskatchewan. Stay tuned, as we hope to announce one or more new partnerships in the near future.

We are excited that SPG's investments into market growth and diversification are driving new menu launches using lentils in the foodservice sector and a number of new innovation projects that come before new launches. Our investments in Pulse Canada's work are focused on demonstrating how pulse ingredients can be used in food and feed, as well as trying to find ways for growers to monetize value for the sustainable practices they are already employing.

SPG's communications and extension activities generated timely resources for growers and agronomists throughout the 2023-24 year. These came in the form of numerous technical resources, podcasts, research summaries, webinars, email newsletters, and market reports. I believe SPG leads the way in pulse production and related information for growers and agronomists.

As we look forward on the horizon, the international landscape is increasingly complex with geopolitical tensions, regulatory pressures on crop production technologies, and increased protectionism globally. As a sector that relies on global markets for our livelihood, we need to do more to advance growers' interests not only at home in Canada, but internationally as well. SPG will continue to step up and represent pulse growers in the future.

In closing, I want to recognize that some of our employees have achieved major milestones - 10 and 20 years - at SPG over the past year. I have the privilege of working with an amazing group of dedicated professionals each day, who are focused on the interests of pulse growers here in Saskatchewan.

A handwritten signature in black ink, reading "Carl Potts".

Carl Potts
EXECUTIVE DIRECTOR

2023-2024 BOARD MEMBERS



Left to right: **BJ Haubrich** from Hazenmore, **Trent Richards** from Assiniboia, **Robyn Henry** from Hodgeville, **Stuart Lawrence** - Vice Chair from Rosetown, **Winston van Staveren** - Chair from Creelman, **Terry Youzwa** from Nipawin, **Shaun Dyrland** from Kyle, **Brad Blackwell** from Dinsmore, **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
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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**

Sustainable pulses for profitable production.

FOCUS Areas

RESEARCH & VARIETY DEVELOPMENT

Objective: Increase the profitability of established pulse crops and expand pulse crop options for Saskatchewan growers.

- On-farm yield gains for growers come from enhancement of genetic yield potential, reducing agronomic constraints to achieving maximum economic yield potential, and ensuring at least one pulse crop is available for every acre of arable land in Saskatchewan. To support yield potential, we need to invest in furthering genetics, reducing the impact of weeds and disease, and fostering the development of minor acre pulse crops.

MARKET GROWTH & DIVERSIFICATION

Objective: Build diversified demand by expanding the use of pulses and increasing market opportunities.

- SPG recognizes that pulse growers are highly dependent on a small number of markets and know we cannot simply increase pulse production, but also must diversify and expand reliable markets for pulses and pulse ingredients. The Canadian pulse industry has a goal to diversify 25% of Canadian-grown pulses into new uses and new markets by 2030 by demonstrating the value pulses and pulse ingredients have to offer to foodservice, packaged food, pet food, and feed companies including their nutritional benefits and the role pulses play in sustainable food production.

GROWER ENGAGEMENT & EXTENSION

Objective: Create, gather, and communicate information that enables profitable and sustainable pulse crops for Saskatchewan growers.

- SPG strives to provide growers and agronomists with relevant, timely, practical, and useful information on pulse production, marketing, and levy investments while prioritizing opportunities for engagement with growers to seek out feedback, ideas, needs, and concerns for the Saskatchewan pulse industry.

MARKET ACCESS & ADVOCACY

Objective: Promote the interest of Saskatchewan pulse growers by actively engaging and collaborating with provincial and national partners.

- Maintaining and expanding access to key export markets, being viewed globally as a reliable and consistent suppliers of pulse crops, having access to enabling regulatory environments, having the ear of government in advocacy efforts, and having a strong base of public trust in agriculture directly impacts the ability for growers across Canada to be successful. This is why SPG, along with other similar organizations work together and also fund a number of provincial and national associations to work on our behalf on these issues.

2023-2024 MILESTONES

SEPTEMBER 2023

Two new pulse-related [genomic research projects](#), co-funded through **Genome Canada's Climate-Smart Agriculture and Food Systems Initiative**, were announced where SPG's investment of \$1.4 million was leveraged for a total of \$12.8 million in total funding. Projects aim to develop information and tools for breeding better combinations of wheat and lentil varieties in cropping systems, and to enhance root rot resistance and drought tolerance in peas.

OCTOBER

AgriARM held a planning meeting to identify projects for the 2024 production season. Six pulse-related AgriARM projects moved forward including three new projects focused on early-maturing soybean varieties in response to seeding date, control of pea leaf weevil in peas and faba beans, and integrated pest management methods to mitigate *Aphanomyces* in lentil. Three projects were also extended for an additional year, focused on pea and lentil.

NOVEMBER

Pulse Canada provided a submission into a **European Union (EU) consultation on plant breeding innovation**, specifically proposed legislation for plants produced by certain new genomic techniques (NGTs). The EU approach to regulation around plant breeding innovation, specifically gene editing, will be globally influential and important to ensure it aligns with Canada's recent guidance related to plant breeding innovation.

DECEMBER

The **Root Rot Task Force (RRTF)**, made up of SPG, Alberta Pulse Growers (APG), and Manitoba Pulse & Soybean Growers (MPSG) established a collaborative action plan. The action plan, to address gaps in research, funding capacity, and communication, is key to driving solutions to Western Canada's root rot issue in peas and lentils and will guide next steps in reviewing global research proposals, developing capacity for evaluations, establishing a common rating scale, and standardizing soil test methods.

JANUARY 2024

SPG's **Annual General Meeting (AGM)** was held in-person and virtually on January 9 with 85 voting growers in attendance. At the meeting Eric Johnson, retired weed scientist and agronomist, was recognized with the [Pulse Promoter Award](#).

Twelve [new pulse-specific research projects](#) were announced for co-funding through Saskatchewan's **Agriculture Development Fund (ADF)** where SPG's investment of over \$1.6 million was leveraged for a total of \$4.5 million in total pulse research funding.

A [new pulse-specific research program](#) entirely focused on understanding and finding resistance to root rot complex was announced through the Saskatchewan Ministry of Agriculture's **Strategic Research Initiative (SRI)** where SPG's investment of \$670,000 was leveraged to \$4.4 million total.



FEBRUARY

SPG invested over \$5 million into [nine new pulse research projects](#) as part of the new **Pulse Science Cluster** under the recently announced Sustainable Canadian Agricultural Partnership (S-CAP) AgriScience Program – Clusters Component. SPG's investment was further leveraged into over \$21 million in total new pulse research.

SPG hosted four **Winter Pulse Meetings** between January and February with a focus on regionally-specific agronomic and market information in Swift Current, North Battleford, Weyburn, and Humboldt. Meetings saw a total of 530 attendees across the four locations, and also garnered 374 [recording](#) views to date.

MARCH

SPG released **three new pulse varieties** to select seed growers in Saskatchewan including two kabuli chickpeas (CDC Climax and CDC Hardy) and a Low Vicine/Convicine (LVC) white-flowered faba bean (CDC 1310).

Twenty new pulse varieties were supported for registration at the Prairie Grain Development Committee (PGDC) meeting including: five yellow peas, two green peas, four small red lentils, one large green lentil, one Spanish brown lentil, one small green lentil, three LVC faba beans, one great northern bean, and two yellow beans.

APRIL

SPG hosted the **Stop the Rot webinar** discussing how to survey a field for root rot, the proper techniques for gathering samples, testing, and results. The webinar was attended by 350 live attendees and the [recording](#) has been viewed 217 times.

MAY

Pulse Replicated On-Farm Independent Trials (PROFIT) continued in 2024 with three protocols and 22 field-scale trial sites established. Trial site numbers included 18 lentil seeding rate, three pea fungicide, and one chickpea plant population.

JUNE

SPG launched a [new strategic plan](#) with a refreshed focus on priorities with the greatest impact to pulse growers in Saskatchewan, looking ahead to 2030. The new plan features specific strategies to address some of the most critical issues facing growers today, including a multi-disciplinary approach to finding solutions to root rot, expanding partnerships in pulse breeding, expanding research capacity through infrastructure and people development, and more.

JULY

Pulse Immersion Days, an immersive farm-to-fork experience for food product developers learning to utilize pulse ingredients, led by Pulse Canada, was held this month. The program hosted 19 representatives from manufacturer companies from across Canada, United States (U.S.), and Europe to Saskatoon for the multi-day program.

AUGUST

SPG staff attended or presented at 10 **industry events or field days** throughout July and August. Topics included pulse varieties, root rot, rapidly-maturing soybeans; pea and lentil biologicals, LVC faba beans, lentil in high residual nitrogen soil, lentil fertility, and glufosinate use. SPG staff interacted with over 900 agronomists, producers, and industry members at the events.

RESEARCH & VARIETY Development

Increase the profitability of established pulse crops and expand pulse crop options for Saskatchewan growers.

Collaboration to Tackle Root Rot in Pea & Lentil

Root rot in peas and lentils is the largest threat to pulse growers in Western Canada and collaborating with partners has been the anchor to this year's strategic focus in this area. The Root Rot Task Force (RRTF) is made up of SPG, APG, and MPSG who developed a collaborative action plan outlining steps required over the next two years to meet funding, research, and communication gaps.



A new website, rootrot.ca, was launched as part of the action plan to create one central location for all root rot information in the areas of research, agronomy, breeding, and pathology.

The RRTF released a request for expressions of interest (EOI) to global experts in the biological, chemical, plant sciences, and food industry for innovative solutions to combat root rot in peas and lentils. Six EOI were received and work will continue into 2024-25 to request and evaluate full proposals for future funding.

SPG also initiated funding for nine new root rot projects in 2023-24, providing \$2.4 million for a total project value of \$13 million with leveraging. These new projects add to a growing pipeline of research on root rots where SPG has contributed \$10 million, leveraged to a total of over \$30 million in total root rot initiatives over the past 10 years, underscoring the importance of work in this area to find solutions for farmers.

AgriARM Infrastructure Investments & Capacity Building Program

SPG, alongside Sask Wheat, SaskOilseeds, and SaskBarley, worked to assess avenues to expand the capacity of research at AgriARM sites across Saskatchewan to continue to enable and increase research but also the transfer of information and findings to growers on the impact and adoption of new practices. Infrastructure and equipment were identified as needs to expand capacity and agreements were made with each of the eight Agri-ARM sites with SPG providing \$200,000 per site in directed support, alongside additional funding from other commissions. Funding covered a variety of specific purposes like new and upgraded equipment including tractors and irrigation systems; new, expansion, or renovations and improvements to buildings and facilities including offices, storage, workbenches, and sample processing spaces.

4th Pulse Science Cluster Research Funding Announced

Since 2010, the Canadian pulse industry and Agriculture and Agri-Food Canada (AAFC) have jointly invested into several Pulse Science Research Clusters with the launch of the fourth such Cluster being formally announced this year. [SPG provided funding](#) to nine of the 14 total projects approved, providing \$5 million that was leveraged to a total of \$21 million of new pulse research funding. Projects cover topics on pea, chickpea, and dry bean breeding; evaluating root systems and multifaceted and integrated approaches for root rot resistance; pea aphid resistance in lentil; and tool development including phenotyping pulse crops.

2023-24 Rebuild of R&D Investment Portfolio

23 New Projects 

SPG dollars were leveraged for a total of
\$24.9 MILLION

in new pulse research this past year
78% leverage rate 

\$5.4
MILLION

in new SPG research & development investment



Top funding partners include:



- Government of Saskatchewan
- Genome Canada
- Natural Sciences & Engineering Research Council of Canada (NSERC) Mitacs
- Results Driven Agriculture Research (RDAR)
- Western Grains Research Foundation (WGRF)
- APG
- MPSG

New research covers priority areas including:

- root rot
- fenugreek breeding
- anthracnose resistance in lentil
- foliar and root disease in faba bean
- herbicide resistant kochia management



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:



7 FIELD VISITS



23 EXTENSION EVENTS



7 INDUSTRY MEETINGS



4 TOURS



CONNECTED WITH 891 GROWERS AND 1,898 AGRONOMISTS



2024 Regional Variety Trial (RVT) Snapshot



6

CROPS



68

TRIALS



14

COOPERATORS



23

LOCATIONS



3,990

PLOTS

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.

MARKET GROWTH & Diversification

Build diversified demand by expanding the use of pulses and increasing market opportunities.

Foodservice Sector Outreach in the U.S.

Direct outreach to the foodservice sector continues in the U.S. with progress towards important outcomes. Engagement with the non-commercial foodservice sector, primarily in college and university campus and corporate dining settings, continued with a resurgence of interest as campuses finally returned to pre-COVID operations in 2023. A total of 29 campuses and institutions participated in on-site culinary training programs across 10 events. SPG capitalized on collaboration and partnered with like-minded commodity boards to put on the events, and where possible welcome multiple campuses to one central location to spread program reach as wide as possible. Passive participation in training content also continued with 399 new course enrollments and 201 course completions of SPG's online [Lentils.org Learning Hub](https://www.lentils.org/learning-hub) tool. Outreach to the commercial high-volume chain restaurant sector also progressed with a focus on one-on-one meetings and engagement with operators. 34 meetings with commercial operators were held this year, leading to eight whitepaper or innovation projects initiated, many of which are ongoing. Engagement with manufacturers of labour-saving value-add products available through foodservice distribution also remains an important focus of the program with one product launch this year. Legacy pizza dough manufacturer, Delorio's, launched a gluten-free lentil pizza dough this year and featured it at the March 2024 International Pizza Expo. Work continues to share samples with pizza operators and presents a promising opportunity for lentils in a foodservice segment that was previously untapped.

Two Bespoke Events Connecting the Food Industry with Pulse Ingredients

Pulse Canada hosted two food industry events this past year targeted towards companies manufacturing consumer food products and connecting them with the pulse ingredients industry. The first event was Plant Forward Conference, a plant-based food and ingredient conference for decision makers in the global plant protein sector. The conference focused on accelerating innovation and adoption of Canadian ingredients in plant-based foods, put on in partnership with Protein Industries Canada (PIC) and Plant-Based Foods of Canada. The event brought together senior leaders from 15 unique large and small food companies representing companies like McCain Foods, Sobeys, and Danone, and ingredient manufacturers, researchers, and innovators. Over 120 on-site meetings took place between companies and industry to explore opportunities to work together.

Pulse Immersion Days was the second of such events that attracted a diverse group of food companies with 19 attendees from 15 unique food manufacturing companies to deep dive into pulses and pulse ingredients from farm-to-fork. The program included breeding, farm operations, and primary and secondary processing, as well as health, sustainability, and functionality programming including deep dives into current and ongoing research on applications of beverages, snacks, baked goods, pasta, and alternative meat and dairy products. Participating companies included Dare Foods, Daiya Foods, Nestle, and ZENB for which Pulse Canada is continuing ongoing follow-up meetings to further support pulse innovation in food products.



Converting Sustainability Data into Market Development Opportunities

Pulse Canada completed a report this past year that demonstrates that Canadian pulses have low environmental footprints compared to European-produced pulses, even when transportation to market is factored in. The study demonstrates that production efficiencies, including reduction in tillage in Western Canada, leads to low environmental impacts of peas and lentils compared to peas grown and consumed in France, and peas and lentils grown in Russia. This showcases that production efficiencies can outweigh the environmental footprint of transporting Canadian pulses overseas. These results were shared during international discussions on climate change, such as COP 28, and with European audiences through various market development outreach activities.

Research has also shown that when peas are fed to livestock, they can reduce the life cycle greenhouse gas emissions of meat production, as peas have a lower carbon footprint compared to other feed ingredients. Pulse Canada has undertaken a project to develop a protocol around how livestock farms and companies can quantify and verify the emission reductions associated with using Canadian peas as a feed ingredient, without having to capture data from grain farms. Companies including Maple Leaf Foods and Cargill are considering how to reduce emissions in their supply chains in a cost-effective manner and this project targets those companies while positioning Canadian peas as a value-add feed ingredient that can deliver carbon reductions. The aim is to develop this market so that pulse growers see an increase in demand and price when marketing their crop.



Soy Canada Outgoing Mission to Thailand & Japan

Soy Canada hosted an outgoing mission to Thailand and Japan in February where one SPG Director participated. A delegation of 20 farmers and soybean exporters represented the Canadian sector on the mission. The group engaged with over 150 current and potential customers and was the first in-market trip to Thailand, a key market for Canadian soybeans and part of the important Indo-Pacific region. The delegation heard about quality specifications customers are looking for, visited manufacturing and processing facilities, and shared how the latest developments in the Canadian soybean industry will provide value for customers. Seminars were also held in both countries that provided platforms for customers to engage with value chain members and surrounded topics on sustainable production practices, projections for the upcoming growing season, and a review of the global soybean market.

At a Glance: 2023-24 Market Development Activity



GROWER ENGAGEMENT & Extension

Create, gather, and communicate information that enables profitable and sustainable pulse crops for Saskatchewan growers.

Seeking Grower Input & Feedback

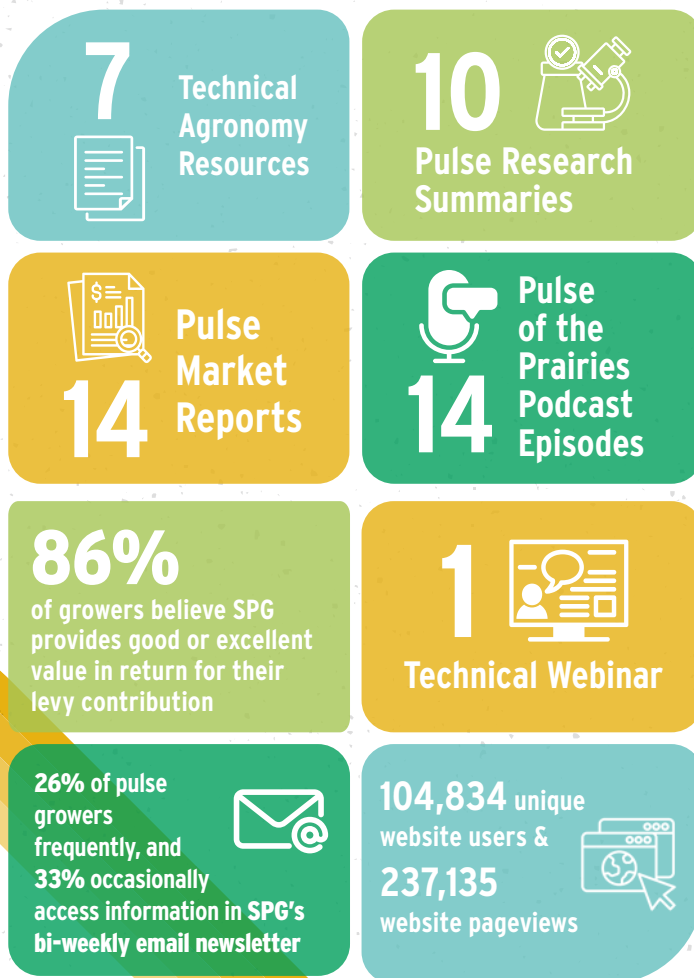
SPG strives to seek out input and feedback from growers to build an engaged audience who are up to date on SPG's work, outcomes, and priorities. This is done through various communications events and activities throughout the year to foster an environment of engagement. SPG's AGM took place in January with 85 registered producers in attendance. The AGM featured an open forum question-and-answer period which allowed growers to ask any questions on any topic, as well as a lively debate on the future of pulse breeding.

SPG's Winter Pulse Meeting extension events are also a key opportunity to engage between growers and SPG Board and staff. The 2024 meetings welcomed a total of 530 attendees across four meetings, including 139 self-declared growers and 230 agronomists in the communities of Swift Current, North Battleford, Weyburn, and Humboldt.

SPG also communicates frequently on timely topics to an email list of over 5,400 levy contributors. Engagement with growers is a main focus area of SPG and is monitored annually with a grower survey. In the 2023 statistically significant survey, there was a 22% response rate, up 69% since the last externally administered survey in 2020, and found that 86% of grower respondents said they believe they receive good or excellent value for their levy contribution.



At a Glance: 2023-24 Communications Activity



Breeding & New Variety Communications

The launch of SPG's new strategic plan in June comes with a distinct focus on developing clear and transparent materials and communication tools to explain the value of and prepare pulse growers for changes to pulse breeding and variety commercialization. As such, new initiatives and the importance of existing activities in this area are critical.

New initiatives this year included a [fact sheet](#) addressing frequently asked questions in the areas of pulse breeding and variety commercialization that was mailed to 8,661 pulse levy contributors over the winter. SPG also hosted a panel discussion during Ag in Motion where moderator Shaun Haney hosted a lively discussion on this topic with Brent Derkatch of Canterra Seeds, Benzon Lorenzana of Limagrain, and Brad Blackwell of SPG. The event also welcomed questions and engagement from growers in the audience. This discussion was also circulated afterwards as a [podcast episode](#) which has had 150 listens.

Continuing communications efforts in this area include SPG's New Variety Campaign aimed to promote new and better yielding pulse varieties. The 2023 campaign promoted small red lentil, large green lentil, yellow pea, and kabuli chickpea varieties across several traditional mediums including print, radio, billboard, and captive, as well as digital and social media advertising in relevant regions of the province. The campaign resulted in 5,041 sessions on the [campaign landing page](#), up 143% from last year, from over 11.6 million ad impressions. Pulse Variety Seminar (PVS) was held in January, a virtual event that covered new varieties, faba bean seed production, chickpea breeding, breeding for protein and disease resistance, and new breeding strategies for peas and lentils to 374 live attendees. The PVS [event recording](#) has also received 588 views. SPG's [RVT Portal](#) continued to transparently share regional variety data, updated annually with the most recent production season's additions. This year the portal saw over 1,600 sessions and nearly 11,000 pageviews.

Root Rot Extension

In SPG's new strategic plan, a purposeful emphasis was placed on finding solutions to root rot challenges, and the communication and extension of information in this area is key to furthering this strategy.

This year SPG launched a new technical website, [rootrot.ca](#), in collaboration with APG and MPSG as a single destination for current research on root rots and mitigation efforts in areas of agronomy, breeding, and pathology.

SPG hosted Stop the Rot, a technical webinar to provide growers and agronomists with an in-field demonstration on how to scout and sample for root rot in pulses including proper techniques for gathering samples, testing, and results as well as rotation options and best practices. There were 350 live attendees and 217 [recording views](#).

ELEVATE YOUR YIELD
New varieties deliver better results.

YELLOW PEA

AAC ABERDEEN	Great standability Yields 8% higher than CDC Amarillo in the south Yields 15% higher than CDC Meadow in the south
CDC HICKIE	Great standability Resistant to seed coat breakage and greenness Yields 8% higher than CDC Amarillo in the south Yields 15% higher than CDC Meadow in the south

Visit [newvarieties.saskpulse.com](#) for more information.

SASKATCHEWAN **pulse** Growers

Meet Western Canada's source for pulse root rot information.

ROOTROT.CA

Pulse Root Rot Network

Brought to you by the Root Rot Task Force

MARKET ACCESS & Advocacy

Promote the interest of Saskatchewan pulse growers by actively engaging and collaborating with provincial and national partners.

Canadian Pulse Delegations to China

SPG joined Pulse Canada's in-person delegations to China in November 2023, March and July 2024. Several important topics were discussed including potential new market access for lentils, chickpeas, faba beans, and adzuki beans; the integral role Canadian peas play in China; and collaboration opportunities to grow our respective sectors. Notable achievements include memorandums of understanding between Pulse Canada and China Chamber of Commerce of Import and Export Foodstuffs, Native Produce and Animal By-Products (CFNA) in November 2023 and their Pea Sub-Council in July 2024 to collaborate and explore opportunities to work together to advance demand for peas and pea protein. As the largest Canadian exporter of peas, Saskatchewan growers will benefit directly from strong bilateral relationships with China and sustained in-market engagement.



KEEP CANADIAN AG ON TRACK

SERVICE DISRUPTIONS HURT FARMERS. TELL OTTAWA TO ACT NOW AND #STOPTHESTRIKE



SERVICE DISRUPTIONS THREATEN CANADA'S ECONOMIC HEALTH

TELL OTTAWA TO ACT NOW AND #STOPTHESTRIKE



#StopTheStrike Letter Writing Campaign

In summer 2024, labour disruptions at Canada's two major railways threatened to halt rail traffic and as a result, Canadian agricultural exports. Pulse Canada spearheaded the #StopTheStrike initiative, bringing together over 25 groups from all corners of the Canadian agriculture industry to collectively call on the federal government to order binding arbitration and avoid an unnecessary rail disruption. The campaign generated numerous national and regional media articles, television interviews, social media posts and engagements, and over 2,300 letters to the federal Labour Minister were sent through the campaign website. Parties were eventually ordered into binding arbitration, avoiding a sustained total shutdown.



EU Regulatory Outreach

SPG and Pulse Canada are committed to ensuring pulse growers have access to the crop protection products they need to advance the industry while keeping export markets open. To address market access concerns in the important EU market, Pulse Canada staff and directors, including an SPG representative, travelled to the EU to advocate for science and risk-based crop protection policies that do not impede trade. The engagement was centered around the Canada-EU Dialogue on Sustainable Agriculture Workshop, a joint initiative between the Government of Canada and the European Commission, to share ideas and develop common understanding of agriculture in each region

which could translate into policy development. Representatives had the opportunity to directly engage with policy makers and clearly articulate how modern agricultural practices used by Canadian pulse growers help produce safe, high-quality food. SPG's Board representative participated on a panel discussion to share their expertise from the farm, highlighting

the complexities of the industry and that a one-size-fits-all approach does not work when implementing policy.



Grain Growers of Canada (GGC) Grain Week

GGC welcomed over 20 grain farmers from across the country, including two representing SPG, to Ottawa in April for three days of meetings. Meetings were held with nearly 30 Members of Parliament (MP), Senators, and staff including the Minister of Finance, Leader of the Official Opposition, Minister of Agriculture and Agri-Food, and Minister of Environment and Climate Change. GGC also hosted a press conference to launch its policy recommendations while in Ottawa which led to 137 media hits, 5.6 million impressions, and hosted over 50 MPs and Senators at a parliamentary reception. Policy recommendations included prioritizing financial support for agricultural research in public and private sectors, recognizing the positive sustainability contributions farmers make to Canadian society, and a push to develop a comprehensive approach to data and metrics to support baselines and reporting.

Keep it Clean Messaging on Glufosinate & Glyphosate

Keep it Clean is a joint initiative to provide timely updates on market risks to ensure crops meet standards for domestic and export customers. This year it focused on communicating the importance of proper glyphosate use, as well as highlighting that glufosinate should not be applied on pulses. Messaging was circulated through the overarching campaign and further amplified by SPG through digital and social media, print, radio, and billboard ads. The initiative continues to work with growers, agronomists, retailers, grain handlers, and processors to monitor the impact that the campaign had on this important issue. Since Canada exports 85% of its pulse crops to various markets around the world, the proper use of crop protection products helps to ensure these markets stay open for business for all.



SaskCrops Collaboration on Government Relations Outreach

Saskatchewan crop development commissions continue to work collaboratively to advocate on behalf of growers on broad policy issues under the group name SaskCrops which includes SPG, Sask Wheat, SaskOilseeds, SaskBarley, and SaskOats. Topics jointly approached through submissions, meetings, and other feedback mechanisms include the Transport Canada Rail Review, federal government pre-budget consultations, the proposed Bunge-Viterra merger, and the Pest Management Regulatory Agency (PMRA) consultations on water monitoring and regulation of pest control products in Canada.

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 like 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 (AIC) Saskatchewan. AIC works with school-aged children across Saskatchewan, creating agricultural educational resources and delivers 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 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.

DISCUSSION OF SPG FINANCIAL RESULTS FOR 2023-24

SPG's operations in 2023-24 resulted in a surplus of \$2.27 million which exceeded the budgeted surplus of \$167,250 due primarily to SPG being under budget in a few operational areas, particularly in research.

2023-24 Results Discussion

The 2023-24 budget was built to produce a balanced budget based on \$15 million levy and increased investments, particularly in research expenditures.

Pulse production in 2023 decreased as a result of a drop in acres seeded. This lower production was offset by continued high prices resulting in levy of \$15.1 million being paid by producers which was on par with budget. Revenues were also impacted by continued high interest rates that drove investment income above budget by \$500,000. Overall revenues were \$17.9 million - slightly lower than 2022-23 revenues of \$18.1 million.

Expenditures increased by \$3.2 million from 2022-23 with higher expenditures in research and development and market development. SPG continued to rebuild investments in priority research projects. Research and development expenses increased to \$9.2 million, an increase of \$3 million from the prior year but about \$670,000 under budget. SPG had \$600,000 in additional projects that were not finalized due to external leveraging decisions not being completed in time. Market development expenses increased by \$470,000 to further expand foodservice outreach in the U.S. and Europe and better support efforts to expand the use of pulse ingredients. Overall expenses ended up about \$950,000 under budget mostly due to research and development spending being under budget.

The result of continued strong pulse prices and being under budget in a few areas resulted in a surplus of \$2.27 million - \$2.1 million over the budgeted surplus.

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, 2024, 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, 2024, 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, 2024, current assets as at August 31, 2024 and August 31, 2023, and net assets at both the beginning and end of the August 31, 2024 and August 31, 2023 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

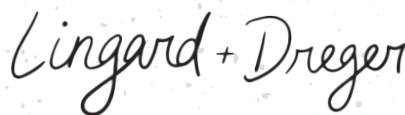
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee 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 3, 2024**



Chartered Professional Accountants

BOARD OF DIRECTORS EXPENSES 2023-24

(unaudited)

	Honoraria	Expenses	Total
	\$	\$	\$
Brian (BJ) Haubrich	7,756	5,604	13,361
Brad Blackwell	16,575	14,171	30,746
Corey Loessin	9,215	4,899	14,114
Mario Gaudet	7,575	5,041	12,616
Robyn Henry	19,575	13,205	32,780
Shaun Dyrland	5,550	2,522	8,072
Stuart Lawrence	18,202	8,388	26,590
Terry Youzwa	13,916	6,008	19,924
Trent Richards	9,763	4,821	14,584
Winston van Staveren	21,889	16,085	37,973
	130,016	80,744	210,760

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

STATEMENT OF FINANCIAL POSITION

as at August 31, 2024

ASSETS	2024	2023
CURRENT	\$	\$
Cash	2,391,293	2,682,128
Investments (Note 3)	10,603,498	10,888,200
Accounts receivable (Note 4)	2,168,744	2,628,905
Prepaid expenses and deposits	280,187	642,332
Accrued interest receivable	625,278	169,726
Breeder seed inventory	194,480	241,981
	16,263,480	17,253,272
INTERNALLY RESTRICTED INVESTMENTS (Note 3)	1,900,000	1,600,000
INVESTMENTS (Note 3)	22,386,790	18,508,790
TANGIBLE CAPITAL ASSETS (Note 5)	1,174,440	655,979
	41,724,710	38,018,041
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	1,982,791	550,034
NET ASSETS		
INVESTED IN TANGIBLE CAPITAL ASSETS	1,174,440	655,979
INTERNALLY RESTRICTED (Note 10)	26,000,000	17,800,000
UNRESTRICTED	12,567,479	19,012,028
	39,741,919	37,468,007
	41,724,710	38,018,041

COMMITMENTS (Notes 7, 8, and 9)

Approved by the Board:

Winston van Stinson

Chair

Scott Lawrence

Vice Chair

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

STATEMENT OF OPERATIONS

for the year ended August 31, 2024

	2024 Budget <i>(Unaudited) (Note 13)</i>	2024 Actual	2023 Actual
REVENUE			
INDUSTRY REVENUE			
	\$	\$	\$
Levy	15,000,000	15,092,039	16,157,398
Variety commercialization	265,900	399,923	277,011
Sponsorship	30,000	35,000	32,500
	15,295,900	15,526,962	16,466,909
GOVERNMENT FUNDING			
Government of Saskatchewan	48,600	67,472	50,914
INVESTMENT INCOME <i>(Note 11)</i>	900,000	1,403,298	943,454
UNREALIZED GAINS	—	142,467	10,425
EXPENSE REIMBURSEMENTS	375,000	543,839	190,316
OTHER REVENUE	146,000	238,472	445,985
	16,765,500	17,922,510	18,108,003
EXPENSES			
RESEARCH AND DEVELOPMENT			
Pulse breeding	3,019,330	2,658,382	2,232,547
Agronomy and sustainability	3,392,180	3,426,597	1,435,654
Genetic improvement	1,637,136	1,598,213	896,658
Processing	1,022,585	741,080	655,140
Strategy development and support	822,869	805,712	1,025,019
	9,894,100	9,229,984	6,245,018
MARKET DEVELOPMENT			
Canadian lentil promotion	1,000,000	1,001,934	879,603
Market development – External <i>(Note 8)</i>	1,479,412	1,479,412	1,138,114
Other promotion and support	166,204	157,723	147,074
	2,645,616	2,639,069	2,164,791
COMMUNICATION	1,028,608	951,507	1,120,501
MARKET ACCESS <i>(Note 8)</i>	820,588	820,588	785,554
VARIETY COMMERCIALIZATION	407,904	405,317	464,964
LEADERSHIP AND MANAGEMENT			
Board of directors	392,850	302,686	325,881
Management and administration	1,408,584	1,299,447	1,368,563
	1,801,434	1,602,133	1,694,444
	16,598,250	15,648,598	12,475,272
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	167,250	2,273,912	5,632,731

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

STATEMENT OF CHANGES IN NET ASSETS

for the year ended August 31, 2024

	Invested in capital assets	Internally restricted	Unrestricted	2024 Total	2023 Total
	\$	\$	\$	\$	\$
NET ASSETS, BEGINNING OF YEAR	655,979	17,800,000	19,012,028	37,468,007	31,835,276
EXCESS OF REVENUE OVER EXPENSES	—	—	2,273,912	2,273,912	5,632,731
TRANSFER TO RESTRICTED NET ASSETS <i>(Note 10)</i>	—	8,200,000	(8,200,000)	—	—
ADDITION OF TANGIBLE CAPITAL ASSETS	597,823	—	(597,823)	—	—
PROCEEDS ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	(3,081)	—	3,081	—	—
LOSS ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	(1,615)	—	1,615	—	—
AMORTIZATION	(74,666)	—	74,666	—	—
NET ASSETS, END OF YEAR	1,174,440	26,000,000	12,567,479	39,741,919	37,468,007

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

STATEMENT OF CASH FLOWS

for the year ended August 31, 2024

	2024	2023
	\$	\$
OPERATING ACTIVITIES		
EXCESS OF REVENUE OVER EXPENSES	2,273,912	5,632,731
CHANGES TO INCOME NOT INVOLVING CASH:		
Amortization	74,666	13,583
Realized gains	(31,307)	(38,260)
Unrealized gains	(142,467)	(10,425)
Loss on disposal of tangible capital assets	1,615	1,397
	2,176,419	5,599,026
CHANGES IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS:		
Accounts receivable	460,161	174,397
Breeder seed inventory	47,501	76,402
Prepaid expenses and deposits	362,145	(396,804)
Accrued interest receivable	(455,552)	(90,671)
Accounts payable and accrued liabilities	1,432,757	(485,176)
	1,847,012	(721,852)
TOTAL FROM OPERATING ACTIVITIES	4,023,431	4,877,174
INVESTING ACTIVITIES		
Proceeds on disposal of tangible capital assets	3,081	2,220
Purchases of tangible capital assets	(597,823)	(17,692)
Proceeds from redemptions of fixed income investments	12,783,749	11,993,846
Purchase of investments	(16,503,273)	(16,662,126)
TOTAL USED BY INVESTING ACTIVITIES	(4,314,266)	(4,683,752)
INCREASE (DECREASE) IN CASH DURING THE YEAR	(290,835)	193,422
CASH AND EQUIVALENTS, BEGINNING OF YEAR	2,682,128	2,488,706
CASH AND EQUIVALENTS, END OF YEAR	2,391,293	2,682,128

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

NOTES TO FINANCIAL STATEMENTS

for the year ended August 31, 2024

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 Saskatchewan pulses.

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 \$209,099 of inventories as an expense during the year (2023 - \$272,588).

(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	10 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, 2024

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:

	2024	2023
	\$	\$
FIXED INCOME	28,336,790	26,892,539
CASH AND CASH EQUIVALENTS	4,939,890	2,687,688
EQUITY FUNDS	1,613,608	1,416,763
	34,890,288	30,996,990
CURRENT ASSETS:		
Investments	10,603,498	10,888,200
LONG-TERM ASSETS:		
Internally restricted investments	1,900,000	1,600,000
Investments	22,386,790	18,508,790
	34,890,288	30,996,990

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2024

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 a diversified portfolio mix to reduce the risk of large market fluctuations.

4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2024	2023
	\$	\$
LEVY RECEIVABLES	1,928,921	1,771,556
OTHER RECEIVABLES	239,823	857,349
	2,168,744	2,628,905

5. TANGIBLE CAPITAL ASSETS

The tangible capital assets balance consists of the following:

			2024	2023
			\$	\$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
EQUIPMENT	267,253	192,569	74,684	18,141
LEASEHOLD IMPROVEMENTS	513,242	51,324	461,918	—
	780,495	243,893	536,602	18,141
LAND	637,838	—	637,838	637,838
	1,418,333	243,893	1,174,440	655,979

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2024	2023
	\$	\$
TRADE PAYABLES	141,584	171,054
R&D CONTRACTS PAYABLE	1,725,379	273,673
GST PAYABLE	83,305	73,439
PAYROLL LIABILITIES	32,523	31,868
	1,982,791	550,034

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2024

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	2025	2026	2027	2028	2029
	\$	\$	\$	\$	\$
	5,522,643	4,409,790	2,400,231	544,532	47,704

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 and 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, 2024 were \$2,300,000 (2023 - \$1,923,668). The amount committed for future years are below:

YEAR ENDING AUGUST 31	\$
2025	2,300,000
2026	2,091,667
2027	1,800,000
2028	1,050,000
2029	—

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	\$
2025	148,925
2026	148,925
2027	149,351
2028	149,790
2029	154,629
Thereafter	643,722

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

NOTES TO FINANCIAL STATEMENTS (continued)

for the year ended August 31, 2024

10. INTERNALLY RESTRICTED NET ASSETS

SPG has updated its reserve policy to better reflect its operations. SPG has increased its closure reserve to \$1,900,000 (2023 - \$1,600,000) to cover expected organization closure costs should the organization be wound down and holds restricted investments of \$1,900,000 (2023 - \$1,600,000) to match this reserve. SPG has also increased its reserve for Revenue Variability by \$3,800,000 (2023 - \$2,200,000 decrease) to cover for potential shortfalls in levy revenue. The calculation for this reserve was updated and now reflects the amount of funds needed to cover a significant levy revenue shortfall for a period of five years. This reserve has been set at \$20,000,000 (2023 - \$16,200,000) and is supported by current assets as well as unrestricted long-term investments. During this past year, SPG established a Reserve for Commitments beyond Baseline Budget and set the reserve at \$4,100,000. This reserve ensures that additional commitments beyond baseline budget levels are fully funded. The reserve is supported by current assets as well as unrestricted long-term investments.

11. INVESTMENT INCOME

Investment income consists of the following:

	2024	2023
	\$	\$
INTEREST	1,325,289	863,056
DIVIDENDS	46,702	42,138
REALIZED GAINS	31,307	38,260
	1,403,298	943,454

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, 2024 three customers accounted for 49% (2023 - 36%) 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.

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

NOTES TO FINANCIAL STATEMENTS (continued) for the year ended August 31, 2024

13. BUDGETED FIGURES

Budgeted figures are unaudited and are based on the budget approved by the Board on July 17, 2023 and presented at the Annual General Meeting. No revisions were made after this date.

14. ALLOCATION OF EXPENSES

Human resources expenses of \$1,116,660 (2023 - \$1,109,669) have been allocated based on the proportion of the employees' roles within each department as follows:

	2024	2023
	\$	\$
RESEARCH AND DEVELOPMENT	572,153	592,202
MARKET DEVELOPMENT	127,028	122,551
COMMUNICATIONS	244,149	232,546
VARIETY COMMERCIALIZATION	173,330	162,370
	1,116,660	1,109,669

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

SCHEDULE 1 – SCHEDULE OF EXPENSES

for the year ended August 31, 2024

	2024 Budget <i>(Unaudited) (Note 13)</i>	2024 Actual	2023 Actual
RESEARCH AND DEVELOPMENT			
PULSE BREEDING			
Variety improvement	3,019,330	2,658,382	2,232,547
AGRONOMY AND SUSTAINABILITY			
Integrated pest management			
Disease	909,140	1,197,037	686,283
Weeds	174,004	148,469	89,913
Insects	94,248	134,105	105,773
Plant health & fertility	272,151	174,483	225,779
Soil systems & sustainability	7,915	43,889	68,751
Crop physiology & abiotic stress	—	—	19,500
Agronomy other	1,934,722	1,728,614	239,655
	3,392,180	3,426,597	1,435,654
GENETIC IMPROVEMENT			
Breeding tools	1,563,306	1,482,513	841,658
Disease resistance	73,830	115,700	55,000
	1,637,136	1,598,213	896,658
PROCESSING AND UTILIZATION			
Pulse processing	1,022,585	741,080	633,827
Pulses and feed	—	—	21,313
	1,022,585	741,080	655,140
STRATEGY DEVELOPMENT AND SUPPORT			
	822,869	805,712	1,025,019
	9,894,100	9,229,984	6,245,018

SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

SCHEDULE 1 – SCHEDULE OF EXPENSES (continued)

for the year ended August 31, 2024

	2024 Budget <i>(Unaudited) (Note 13)</i>	2024 Actual	2023 Actual
	\$	\$	\$
MARKET DEVELOPMENT			
LENTIL PROMOTION	1,000,000	1,001,934	879,603
MARKET DEVELOPMENT – EXTERNAL <i>(Note 8)</i>	1,479,412	1,479,412	1,138,114
OTHER PROMOTION AND SUPPORT	166,204	157,723	147,074
	2,645,616	2,639,069	2,164,791
COMMUNICATIONS			
GROWER COMMUNICATIONS	548,550	509,219	673,716
INDUSTRY AND EXTERNAL COMMUNICATIONS AND SUPPORT	480,058	442,288	446,785
	1,028,608	951,507	1,120,501
MARKET ACCESS <i>(Note 8)</i>	820,588	820,588	785,554
VARIETY COMMERCIALIZATION			
BREEDER SEED	199,500	209,099	272,588
EXTENSION ACTIVITIES AND SUPPORT	208,404	196,218	192,376
	407,904	405,317	464,964
LEADERSHIP AND MANAGEMENT			
BOARD OF DIRECTORS			
Election	87,300	12,431	84,968
Honoraria, benefits, and allowances	154,300	159,174	121,670
Professional fees	23,250	13,457	—
Travel	92,500	81,848	90,204
Other	35,500	35,776	29,039
	392,850	302,686	325,881
MANAGEMENT AND ADMINISTRATION			
Professional fees	137,000	120,115	207,901
Rent and occupancy	216,187	179,754	263,412
Salaries and benefits	632,169	632,760	590,118
Travel	31,000	26,346	21,703
Other	392,228	340,472	286,059
	1,408,584	1,299,447	1,368,563
	16,598,250	15,648,598	12,475,272

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, 2023 to August 31, 2024, 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, 2023 to August 31, 2024, 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 3, 2024**

A handwritten signature in dark blue ink that reads 'Lingard + Dreger'.

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, 2024 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, 2024 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, 2024, 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 3, 2024, which is the same date as the date of the report on the effectiveness of internal controls.

Saskatoon, Saskatchewan
December 3, 2024

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, 2024 and have issued our report thereon dated December 3, 2024. We have examined the system of internal control as at August 31, 2024 and have issued our report to you dated December 3, 2024. 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, 2024 and have issued our report to you dated December 3, 2024.

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 3, 2024**

Lingard + Dreger

Chartered Professional Accountants



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