



Alberta
Barley



ALBERTA BARLEY

ANNUAL REPORT 2020-21



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General Manager's Message

To say that 2020-2021 was a rollercoaster ride for Alberta barley farmers would be the understatement of the year.

First, you harvested the largest barley crop in several years in 2020 and experienced strong demand from both domestic and international markets, including China.

Record rail shipping for all commodities during the crop year also boosted prices as the domestic feed and malting industries were forced to compete against strong demand from China while export bids from line companies had to be competitive with the domestic market. A banner year by all accounts.

Then in June of 2021 came a heat dome and the worst drought in two decades. Many farmers experienced dramatically reduced yields. Hopes of capitalizing on strong barley prices were in many cases unrealized as farmers in some areas have had little crop to sell.

But if the past few years have taught us anything, it's that we are seeing a renaissance of sorts in barley. Acres that were lost to other crops in recent years are shifting back to barley backed by strong market signals and the fact that barley is a crop that is well-suited to many growing areas of Alberta.

The proposed amalgamation of Alberta Barley with the Alberta Wheat Commission has been a high priority for our boards over the past year. We started this journey in the fall of 2017 when the two commissions moved to a joint operating model.

To refresh your memories, I have been serving as the General Manager of Alberta Barley and the Alberta Wheat Commissions since then and our management team serves both organizations. That arrangement has proven to be successful, with significant cost savings and the next logical step is to formally amalgamate the commissions into a single legal entity with one board. Currently we serve two boards. You can read more about this on page 6.

The bigger picture is our vision for the future of the barley value chain in Canada and how it fits with other crops. In our view, barley must work in collaboration with other cereal crops to have the capacity to grow markets, fund development of new varieties, provide agronomic advice, manage trade and market access issues, to name a few.

As of July 31, 2021 Alberta Barley formally ended its involvement and funding of the Barley Council of Canada [BCC]. We did this to eliminate duplication of effort and ensure farmers' check-off dollars are utilized as efficiently as possible. The major functions of BCC have been re-assigned to other organizations including the Canadian Malting Barley Technical Centre [CMBTC], the Brewing and Malting Barley Research Institute [BMBRI] and Cereals Canada. We continue to work with our fellow commissions in Saskatchewan and Manitoba on barley research through the Canadian Barley Research Coalition [CBRC].

An amalgamation sub-committee consisting of equal representation from Alberta Barley and AWC has been working diligently since early 2020 to establish a clear path and value proposition for a combined wheat and barley commission in Alberta. You will read more about that process in this annual report.

Ultimately the membership will decide the path forward and we will continue to have extensive consultations, possibly resulting in a plebiscite process in the spring of 2022.

In next year's annual report, we will have the benefit of looking back on how this process unfolded. Regardless of the outcome I am proud of the fact that our two boards had the vision to explore a new operating model and how best to serve the needs of Alberta barley farmers.



Tom Steve,
General Manager



Chair's Message



Tara Sawyer,
Alberta Barley Chair

It's no secret that resiliency is key to survival in the business of farming. Images of dried soil woven with cracks from lack of moisture illustrated the 2021 growing season, painting an unfortunate picture of the risks and challenges inherent to farming.

Having just experienced the worst drought in 20 years, we know that the stress, uncertainty and risks you're facing may extend well into the 2022 season. Know that Alberta Barley, along with our Team Alberta counterparts, will continue to press for our provincial government to recognize your situation despite their lack of action to-date. Our goal is for you to have the tools you need for recovery. Although we were pleased with the removal of the reference margin limit from AgriStability for 2021 and 2022, we will also continue to push the federal government for reforms to this program for the next policy framework to ensure a more responsive, equitable and predictable option in a year of disaster.

While of course we are bracing for next year, on a more positive note, August 1, 2021 marked Alberta Barley's 30th anniversary. A milestone anniversary like this is an opportunity to reflect on where we started and how far we've come in those three decades.

In 2020, I was honoured to step into my role as Chair, following in the footsteps of industry leaders who came before and pioneered one of the first crop commissions in Western Canada. At Alberta Barley, we were launched on a number of core values: to invest in research to ensure you access to have the highest quality varieties and agronomic management options available. To grow and strengthen our markets giving barley a competitive edge. And to amplify your voice in the political sphere to ensure that farm policy actually works on your farm. I am extremely proud that 30 years later, these core values have not changed. We have grown and adapted to new eras of farming, building value-added programming and initiatives along the way, but those core programs are always at the heart of what we do at Alberta Barley.

In celebrating our 30th year, you'll hear from some of those who built this organization, as well as those who continue to strengthen it, in a special video to be premiered at our Prairie Cereals Summit (PCS) event alongside the Alberta Wheat Commission (AWC).

I also want to reflect on some of the initiatives that took place just in the last year that continue to demonstrate those core values for farmers. Our research team welcomed Dr. Sheri Strydhorst, creating a complete program offering of agronomy extension, along with research investment, all of which is led by Dr. Lauren Comin. In barley markets, program manager Geoff Backman led our joint submission with AWC on the Canada Grain Act review, a welcomed opportunity to press for the role of the Canadian Grain Commission to be redefined as well as to see mandatory outward weighing and inspection eliminated. While our policy and government relations team, led by Shannon Sereda, focused heavily on policy advocacy in the face of the drought, we also saw the introduction of new projects including a wetland stewardship water monitoring program and a focus on climate change policies and impacts. Other notable accomplishments this year include our launch of the Alberta Crop Protection Guide [The Blue Book] which we collaborated on with AWC, Alberta Canola and the Alberta Pulse Growers, ensuring that farmers would not lose this valuable resource following the provincial government's decision to end its production. For the same reason, we also assumed the role as hosts of Agronomy Update and look forward to hosting this event for years to come.

These are only some of the accomplishments that Alberta Barley has led this year. Throughout this annual report, you will read more about our team's work. I would like to thank each and every one of our staff, board members and delegates for all of the work they have done this year with the goal of seeing return on investment for your farm. As the snow falls and we hope for enough moisture to lock in and help repair our soil, we are also embarking on another winter meeting season. I look forward to connecting with farmers at upcoming events this winter and I encourage you to reach out to me at any time.



August 1, 2021 marked the 30-year anniversary of the Alberta Barley Commission. Conceptualized by the Western Barley Growers Association in the early 90's, Alberta Barley has grown to be a force in Canadian agriculture. With a mission to advance the interests of Alberta barley farmers through leadership and investment in innovation and development, the commission is recognized as an industry leader in advancing barley research, tapping into barley's market potential both domestically and internationally, and advocating for Alberta farmers at all levels of government. Our trailblazing organization is deeply rooted in strong, passionate farm leaders that have laid the foundation of Alberta Barley. We still see those strong principles engrained in Alberta Barley today as the commission continues to enhance barley farmers' long-term profitability.



**Alberta
Barley**

“

Alberta farmers have a voice, and a powerful one! When Alberta Barley meets with government, whether it's provincial or federal, we are seen and we are heard. When farmers show up to those meetings, there's more weight behind our words because we have vested interest and can speak directly to how policies impact our operations.”

Tara Sawyer

Current Alberta Barley Chair

“

Marketing freedom, international trade policy, or risk management, Alberta Barley always leads as a passionate and principled policy organization. Our farm leaders saw through the thick details of policy and process to advocate for clear solutions and forever change the landscape of Canadian ag policy. I'm proud to have been part of it and fortunate to have learned from the leaders I did.”

Kevin Muxlow

Former Alberta Barley Policy Manager

“

The agriculture landscape has changed immensely over the decades. Back when we were battling with the Canadian Wheat Board, Alberta Barley was seen as a beacon and leader in Canadian agriculture. We weren't afraid to be loud and fight for what was right for Alberta farmers.”

Doug Robertson

Former Alberta Barley Chair and Current President of the Western Barley Growers Association

“

In the start-up days, we were really focusing on establishing barley's research priorities. We knew this would be a huge priority for Alberta barley farmers. Ensuring that barley had a bright future, genetically, was a key focus for the Alberta Barley board in those initial years.”

Charles Leskiw

Former Alberta Barley Director (Interim Board 1991)

“

Alberta Barley has really grown to be a go-to organization in farm policy. When there's a hot-button issue, our organization is always approached for our input and views. That's a real testament to Alberta Barley and the years of hard work.”

Dave Bishop

Former Alberta Barley Chair



Value Proposition

Mission

To advance the interests of Alberta barley farmers through leadership and investment in innovation and development.

Vision

A vibrant and innovative industry that unlocks the entire potential of barley.

Board of Directors



Tara Sawyer
Chair | Acme | Region 2



Wade McAllister
Vice Chair | Red Deer County | Region 3



Sean Stanford
Magrath | Region 1



Roy Newman
Blackie | Region 2



Dick Wymenga
Leslieville | Region 3



Bernie Klammer
Vegreville | Region 4



Shane DeBock
Barrhead | Region 5



Brent Konstapel
Spirit River | Region 6

Barley Delegates

Region 1

Kolton Brown
Jason Love
Ryan Flitton
Brad Berger
David Bishop

Region 2

Shawn Gorr
Glen Gateman
Jessica Dugdale
Gordon Ellis
Doug McBain
Doug Miller
Doug Robertson
Jeff Nielsen

Region 3

Harold Haughen
Trevor Petersen
Melissa Damiani
Mike Sulzle
Connie Matson

Region 4

Clint Jacula
John Mayko
Gordon Tuck

Region 5

Dean Wiegard
Peter Smerychynski

Region 6

Aaron Young





Over the last few years, Alberta Barley has been looking closely at the future of the barley value chain.

As with other crops, there are a number of groups in this chain, some with overlapping duties and responsibilities. Given that Alberta Barley and the Alberta Wheat Commission are considering amalgamation, it's important to identify the markings of a cohesive chain for barley. Though barley is a smaller acreage crop compared to wheat, its use as cattle and hog feed, as well as for the malting barley sector, give it a strong connection with the Alberta economy. Alberta farmers produce over half of Canada's total barley crop.

One attempt at solidifying the value chain was the formation of the Barley Council of Canada (BCC) in 2013. However, BCC attracted limited industry support and often duplicated the services of other organizations like the Canadian Malt Barley Technical Centre (CMBTC), the Brewing and Malting Barley Research Institute and the barley commissions themselves. As a result, Alberta Barley ceased its funding of BCC in 2021 and is now looking to reinvent the value chain model. We are a major funder of the CMBTC, which handles market development, adoption of new malt barley varieties and technical support for our international customers.

We have also shifted our research focus to the Canadian Barley Research Coalition, a national not-for-profit organization with a focus on improving profitability and competitiveness for western Canadian barley through long-term research investments. The CBRC is a collaboration between the Saskatchewan Barley Development Commission, Alberta Barley and the Manitoba Crop Alliance. Our overriding goal is to create a new model where all significant barley stakeholders sit at one table and produce measurable outcomes. We will also be working closely with Cereals Canada on programs like "Keep it Clean" – a joint initiative providing growers with resources to grow market-ready crops – on market access issues regarding residue limits on commodities and international trade.

As barley and wheat are both cereals, it makes sense going forward to leverage the efficiencies of commodity groups for the two crops rather than duplicating efforts. This concept is driving our move to amalgamate Alberta Barley and the Alberta Wheat Commission while eliminating all areas of overlap. In some cases we have two representatives on the same national organizations, doubling the time and money involved. For farmers, the critical question is whether

they need a separate wheat and barley voice on everything or whether we can speak as one. Though most of our members agree with amalgamation in principle, there are legitimate concerns about the percentage of check-off dollars devoted to the two respective crops going forward. Since wheat check-off funds amount to about \$9.5 million per year compared to \$2.8 million for barley, some barley producers have raised concerns that most of the money will be directed to wheat.

To address this concern, we have adopted a merit-based funding model. Under this approach, we will judge the value of wheat and barley initiatives based solely on their ability to return a benefit to farmers, rather than on the check-off and acreage numbers for each crop. By marrying the two organizations, we will have flexibility to let the return on investment guide our research and market development funding decisions. This could enable us to support barley projects with excellent potential that were previously outside of our budget, or address other wheat classes such as durum or winter wheat.

About the process

To support the amalgamation of Alberta Barley and Alberta Wheat Commission and produce a better value proposition model for growers, the two organizations formed a sub-committee. It features equal representation from barley and wheat farmers including current and past directors, delegates and reps from both commissions. We hired a third-party facilitator to support the process and assist committee members in developing a road map for the merger. General Manager Tom Steve and Chief Operating Officer Syeda Khurram served on the sub-committee and provided assistance over the course of several meetings. We also involved Marketing Council in all discussions to ensure we abided by their laws and regulations throughout the process.

The major discussions included board governance, the structure of committees and a value-based investment mechanism in handling farmers' dollars. The proposed governance structure suggests two directors per region for a total of twelve directors from six regions, and a delegate body of 24, which is four delegates per region. The sub-committee also suggests a new funding model based on merit, yielding better value for farmers versus an approach guided by the proportion of check-off dollars received from wheat and barley growers. The recommended merit-based funding mechanism would provide more opportunities for barley research and market development priorities.

We also reviewed projects and initiatives that are still duplicating check-off investments and efforts between both commissions as separate legal entities. Opportunities for savings with the merger include reduction in the cost of directors' per diems, production of one annual report, fewer external membership fees and one set of audited financials. We began gathering member feedback on the proposed merger model with an online survey in July 2021, and are currently consulting with our members across Alberta through various platforms. Once that consultation is complete, we will move to a plebiscite phase. If the merger is approved by members, we will commence the work in developing a governance and financial structure that will further leverage synergies and strengthen the voice of barley and wheat farmers.



As barley and wheat are both cereals, it makes sense going forward to leverage the efficiencies of commodity groups for the two crops rather than duplicating efforts."



Amalgamation Consultation for Alberta Wheat and Barley Farmers



**Alberta
Barley**

As directed by the boards of the Alberta Wheat Commission (AWC) and Alberta Barley, the two commissions held farmer consultations during the summer and fall of 2021. The consultations were an initial step in soliciting farmers' views on amalgamating the two organizations.



Prior to 2018, AWC and Alberta Barley operated independently with separate teams but shared finance, HR and administration staff, as well as office space.

Recognizing areas of overlap such as policy, extension, events and communications, the commissions merged the management team and staff in early 2018.

The staff amalgamation quickly unveiled additional synergies such as the ability to collaboratively fund an agronomy extension program (The Growing Point and Plot2Farm), share event spaces and heighten their kids' education efforts (Wally Wheat and Betty Barley's Grain Gallery), partner on enhanced communication initiatives (The Grain Exchange and Spotlight on Research), and more.

The catalyst

In November of 2018 at the Alberta Wheat Commission's Region 2 meeting in Strathmore, a resolution was passed by farmers that challenged the commissions to explore a formal amalgamation in the spirit of gaining more efficiencies and providing farmers more cost savings.

You can see the full resolution and details at [WheatBarleyConsultation.com](https://wheatbarleyconsultation.com).

The resolution was passed by both commissions at their respective Annual General Meetings in 2019.



AWC and Alberta Barley remain as two organizations with separate governance structures, but continue to operate with a single management team. Since both commissions operate as two legal entities, the management teams are accountable and obligated to report to two governing boards as required by the Marketing of Agricultural Products Act and Regulations.

Over the years, this unified management structure has resulted in significant cost savings upwards of **\$350,000 annually**. In-turn it has advanced key areas such as **agronomic extension, research and communication initiatives**.

The Alberta Wheat and Barley Commissions have adopted the mantra of 'Better Together' as seen in annual update videos, press releases, the joint website, etc. The well-established integrated management model has created a culture of excellence.

Moving the Needle

In order to guide the amalgamation exploration work as set forth by the formal resolutions from the 2019 AGMs, the commissions formed an amalgamation sub-committee in 2020 comprised of select AWC and Alberta Barley's past and current directors, regional representatives, and delegates. The sub-committee is also supported by the Alberta Wheat and Barley Commissions' General Manger, Tom Steve and Chief Operating Officer, Syeda Khurram.



As a key objective for the amalgamation sub-committee, a draft model of an amalgamated governance structure was developed for farmers' consideration during the consultation period. The proposed model consists of:

Farmer Governance

One farmer-led board of 12 representing wheat and barley farmers from six regions in Alberta (two directors from each region). Plus, four delegate positions from each region for a delegate body of 24 farmers.

Priorities and Check-off

Research would remain the top priority for the proposed amalgamated organization and funding would be merit-based. AWC and Alberta Barley check-off would also remain the same at \$1.09 per metric tonne for wheat and \$1.20 per metric tonne for barley. However, this is subject to review by the first board of the combined organization.

Consulting with Alberta wheat and barley farmers:

1. Online survey - Open for input from July 7, 2021 to September 15, 2021. Review the survey results and frequently asked questions at **WheatBarleyConsultation.com**.
2. Online town hall sessions - Offered two online sessions (October 21, 2021 and October 26, 2021) for farmers to engage with the commissions on the topic.
3. Regional Meetings - Continual dialogue and reporting of the consultation activities during Regional Meetings in November of 2021.

Farmer input during Regional Meetings will provide the commissions with guidance and future direction on amalgamation.

To learn more about what we heard during the consultations, and for continual updates on the amalgamation file, visit **WheatBarleyConsultation.com**.



The Blue Book

When the Alberta Wheat and Barley Commissions first heard that the Government of Alberta was considering discontinuing the Crop Protection Guide (Blue Book), they discussed it with various stakeholders, members and other interested parties. In the end, it became clear that the guide was an important agronomic tool for our farmers.

As a result, Alberta Barley collaborated with AWC, Alberta Canola and Alberta Pulse Growers to lead the transition of the Blue Book from Alberta Agriculture to the commissions. In doing so, we could ensure that this valuable extension guide would remain available to our members. Armed with a grant from the Canadian Agricultural Partnership [CAP], the commissions all contributed funds and human resources to produce the 2021 edition of the Blue Book in a timely fashion, with the same valuable information that farmers have counted on over the years. The seamless changeover was thanks largely to Alberta Agriculture, which shared data and resources and provided us with an old copy of the guide so we weren't faced with starting from scratch. Thanks to Brian Kennedy for initiating the process to bring the Blue Book in-house as well as his work in applying for the CAP grant to make this project possible.

The Blue Book fits well with Alberta Barley's extension programming, so we felt it was vital to support its continued distribution. GrainsWest was integral to production of the guide in regard to editing files, formatting and creating a final version that was pleasing to the eye.





As this publication has been around for many years, some of the formatting had become inconsistent. Thankfully, Ian Doig and Tommy Wilson with GrainsWest worked tirelessly to clean up any issues prior to final printing. The first Blue Book produced by the commissions looked similar to earlier versions, making it an easy transition for farmers. As enhancements to the guide, we redid the sprayer operations section with information from Tom Wolf on sprayer and nozzle use. We also had the section on pesticide resistance reviewed by researchers from Agriculture and Agri-Food Canada. Finally, we updated the pesticide container locations with clean farms, while AgSafe Alberta aided in review of the safety precautions portion.

We are excited to announce that we sold over 9500 copies of the printed version (on a break-even basis), with a free PDF version available for download online. Thanks to Erin Tateson for her work in executing the marketing plan that made these sales possible. As part of the process, we created an ordering system for the printed copies where farmers could pre-order prior to printing for added convenience. The advance ordering feature had great uptake as over 60 per cent of total sales were advance orders.

While Alberta Barley is not getting into the sales business, we charged just enough to recoup expenses, given that the CAP grant did not cover the entire cost of production, shipping and handling of the guide. Creation of the 2022 Blue Book is now underway, so farmers can expect uninterrupted access for years to come. Alberta Barley was pleased to be part of this important transition, and we appreciate the assistance of both Alberta Agriculture and CAP in making it all possible.



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Canadian Barley Research Coalition

Created in 2020, the Canadian Barley Research Coalition (CBRC) was started as a collaboration between the Saskatchewan Barley Development Commission, Alberta Barley and the Manitoba Crop Alliance.

Membership is open to any organization or association interested in supporting barley research. The CBRC is a national not-for-profit organization with a focus on improving profitability and competitiveness for western Canadian barley through long-term research investments. It funds long-term research projects such as core barley breeding agreements with Agriculture and Agri-Food Canada (AAFC) and the University of Saskatchewan's Crop Development Centre (CDC). It also supports other regional research that aligns with variety development and agronomic priorities. Alberta Barley is represented on the CBRC by directors Dick Wymenga and Shane DeBock.

The agreement with AAFC is for \$1.5 million over five years. It will ensure future access for western Canadian farmers to improved, high-quality barley varieties with stronger agronomic packages and superior end-use quality traits for the malting sector.

For the CDC agreement, there is a commitment of \$2.7 million over five years to secure the future of growers through access to field-ready, competitive and profitable varieties.

Now that Alberta Barley has withdrawn from the Barley Council of Canada (BCC), the CBRC is taking on preparations for the upcoming Agricultural Policy Framework AgriScience Cluster submission, which brings industry and the research community together to develop a national barley research strategy. This strategy will help to inform the priorities of industry and growers with regards to the next barley research cluster, which begins in the spring of 2023. We are presently funding year four of the current cluster under the Canadian Agricultural Partnership (CAP).

Project Funding

Based on a new initiatives budget of \$65,000, we added four projects to our portfolio at a total investment of \$64,895.

Title	Principal Investigator	Alberta Barley Commitment
Phenotyping and genomic selection for improved barley deoxynivalenol (DON) resistance	Dr. Aaron Beattie	\$19,895
Evaluating new next-generation strategies to boost breeding efficiency for feed and forage production in barley and triticale	Dr. Flavio Capettini and Dr. Jennifer Zantinge	\$15,000
Barley lodging - Getting to the root of the problem	Dr. Allan Feurtado	\$15,000
Developing multiple disease resistances in barley and triticale	Dr. Kequan Xi	\$15,000

Project Summaries

1. Phenotyping and genomic selection for improved barley deoxynivalenol (DON) resistance:

Resistance to Fusarium head blight or, more specifically, to deoxynivalenol (DON) accumulation, is critical for preserving barley quality. This study aims to apply phenotyping and genomic selection to enhance barley resistance to DON, thereby helping to build on Canada's position as a supplier of premium quality barley and malt.

2. Evaluating new next-generation strategies to boost breeding efficiency for feed and forage production in barley and triticale:

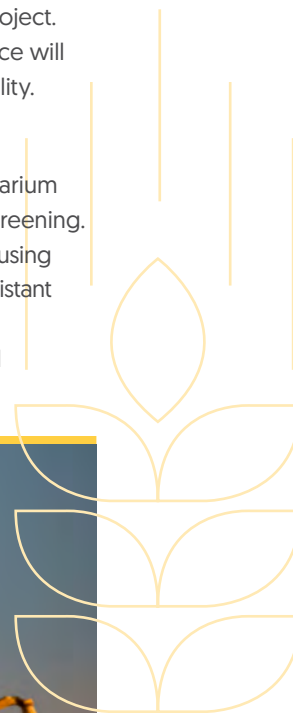
The objective of this project is to upgrade barley and triticale programs at the Field Crop Development Centre (FCDC) by developing and applying new next generation genotyping technologies. The targeted result is an increase in the number of new superior barley and triticale varieties available to cereal producers and ranchers for feed and forage production in the Canadian prairies. The impact of that will be a boost to productivity and higher revenues for producers.

3. Barley lodging - Getting to the root of the problem:

Lodging is a significant issue in barley, leading to yield reductions and economic losses for Canadian producers. This makes it a high priority for breeders and a focus for this project. Through the study, assessment of root and stem traits important for lodging resistance will provide critical knowledge required for development of cultivars with high standability.

4. Developing multiple disease resistances in barley and triticale:

This application proposes to identify and develop multiple disease resistance to Fusarium head blight (FHB) and scald of barley, and FHB and ergot of triticale, through field screening. Prevention, reduction in yield losses and lower levels of mycotoxins can be achieved using resistant varieties as one of the major strategies for disease management. The use of resistant cultivars will benefit cereal producers by reducing input cost and increasing profits, ultimately upholding Alberta's reputation of providing safe grain products for animal and human consumption.



Better Barley, Better Malt

The Saskatchewan Barley Development Commission (SBDC) provided the Canadian Malting Barley Technical Centre (CMBTC) with two years of funding to establish malt barley regional trials. In the agreement, SBDC funds offered support for 2021 trials in Alberta. While Alberta Barley did not have budgeted funding for the trials in 2021, there was an opportunity to apply for Canadian Agricultural Partnership (CAP) funding through Results Driven Agriculture Research (RDAR) for support of knowledge translation and transfer.

RDAR funding was secured for 2021 and 2022 to film, publish and distribute short videos of under five minutes for malt barley growers and end users. These videos address the long-standing issue in the Canadian malt industry of resistance to accepting new malt varieties with improved agronomics and disease resistance over their long-standing commercially accepted counterparts, such as AC Metcalfe and CDC Copeland. We will also produce an interactive map showing the field sites in Alberta, Saskatchewan and Manitoba to allow western Canadian farmers to access photos, videos and quality information [barleyharvest.ca].

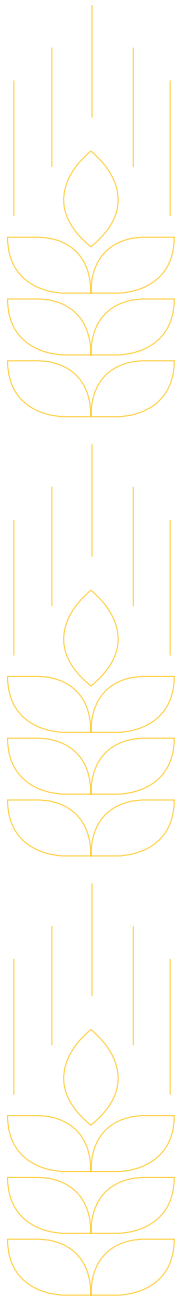
Total RDAR funding is \$46,496 cash over two years and establishes a collaboration with CMBTC, SBDC and the Manitoba Crop Alliance. Once data is compiled, Alberta Barley's Jeremy Boychyn will host a webinar and podcast. Overall, there will be six videos from five site visits. The Alberta Barley board sees value in these trials and therefore included \$19,000 in the 2022 budget to support Alberta's sites in that year.

Scholarship Winners

Alberta Barley administers \$6,000 worth of graduate scholarships annually. In the last few years, these have been given to three different students. The applicants must be working on a research project that benefits Alberta barley farmers, and must submit all relevant information on the project including the impact on growers. In 2020, three winners were each awarded \$2,000: Dilini Deshanee Adihetty, Carmen Cecilia Roman Perez and Ehsan Feizollahi. All three are completing their graduate programs at the University of Alberta.



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Plot2Farm

The second season of Plot2Farm saw the implementation of three on-farm trials in three locations using a \$10,000 budget. Plot2Farm gives farmers the tools they need to put on-farm research into action. By harvesting data straight from the genetics and management of a participating farmer's own operation, Plot2Farm results helps farmers apply agronomic management decisions with greater confidence. Jeremy Boychyn, our agronomy research extension specialist, works with researchers and producers to devise a protocol for each trial. Throughout the trial, participating farmers work with their partnered agronomist to ensure that data is collected and all protocols are followed. Our team then helps analyze and interpret the data. Results will be compiled and extended in the fall and winter of 2021-2022.

In-The-Field Webinars

Alberta Barley held seven "In the Field" webinars this spring, attracting over 325 participants. The short, hour-long webinar series featured Jeremy Boychyn, who interviewed an industry experts and had them present topics of interest to farmers. Some of the notable topics this year were stripe rust, leaf streak, and monitoring and management of wheat midge, while Tom Wolf presented on the mechanics of fungicide application.

Once again, we managed to shift gears quickly and effectively in the face of COVID-19, finding a virtual way to provide cutting edge agronomic information and add value for people in support of their farming operations.





The Growing Point

The Growing Point Newsletter

The Growing Point is aimed at providing farmers with a timely and informative agronomic resource via articles, podcasts and videos. Eight separate editions of The Growing Point newsletter were developed and released between August 2020 and July 2021 to help keep our members informed and up to date.



The Growing Point Podcast

Nine episodes were released between August 2020 and June 2021 with three more episodes recorded and in post-production for release.



Train the Trainer

2021 marked the launch year of 'Train the Trainer' with a virtual session involving the Alberta Cargill agronomy team and lead sales representatives. The event goal is to provide agronomic extension material for line company employees that interact with farmers. After a successful virtual event in this fiscal, next season will see an increase in events and the range of companies trained.





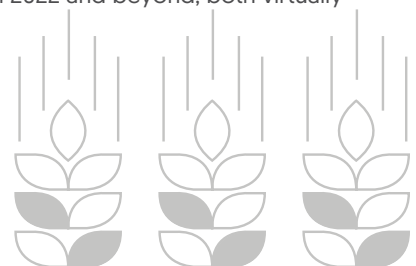
For the first time, Alberta Barley took the lead on hosting the annual agronomy update with the Alberta Wheat Commission, Alberta Pulse Growers and Alberta Canola.”

Agronomy Update

For the first time, Alberta Barley took the lead on hosting the annual Agronomy Update in collaboration with the Alberta Wheat Commission, Alberta Pulse Growers and Alberta Canola. The annual conference, which provides timely agronomy information to producers and agronomists, has traditionally been a two-day, in-person event. Due to current COVID-19 social distancing guidelines, a virtual platform was chosen for Agronomy Update 2021, to not only ensure the safety of our community, but also to allow increased engagement from across Alberta.

This year's version was a great success, attracting about 600 attendees over two days. Speakers covered a variety of practical topics for growers including yield gap, a Fusarium head blight overview and resources for combatting it, and how messy fields can aid beneficial insects. As part of the event, we were pleased to have two of our staff members – Dr. Sheri Strydhorst and Jeremy Boychyn – present on their areas of expertise.

The virtual format also provided a means for people who have never attended an agronomy update to take part and gain new knowledge. With the in-person event capped at 250 people, we were able to expand the audience this year thanks to ease of attendance and lack of a travel commitment. Going forward, we plan to include the option of attending online, and we look forward to hosting the Agronomy Update in 2022 and beyond, both virtually and in person.



Virtual Marketing Event – “What’s Happening with Wheat and Barley Markets?”

Prior to this year’s drought, barley and wheat prices were looking quite strong in the spring as farmers were putting crops in the ground and starting to think about marketing. To aid them in their marketing efforts, we produced a virtual outlook session where marketing experts provided their opinions on why prices were at their current level and where they might go in a normal year. Beginning with a wheat and barley feed markets update from Chuck Penner with Leftfield Commodity Research, the session moved on to a presentation on international promotion and outreach with Lisa Nemeth of Cereals Canada and Peter Watts from the Canadian Malting Barley Technical Centre. The event also featured David Derwin from PI Financial on trading strategies and market analyst Brennan Turner with a milling wheat market update.

The event was free to join and well attended, attracting over 40 participants. This was our first virtual marketing effort and highlighted the importance of staying up-to-date on market conditions throughout the growing season.

Support for Applied Research Associations

Again this year, Alberta Barley provided funding to applied research associations throughout Alberta to support extension to farmers in their area. This included crop tours and virtual or printed newsletters to keep local members abreast of the latest research findings.

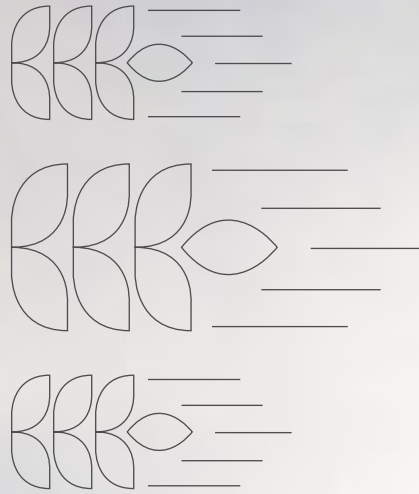
Headline Sponsorship of the Field Crop Development Centre Tour

This year, Olds College took over responsibility for the Field Crop Development Centre Tour from Alberta Barley. We view this tour as an excellent opportunity for farmers to gain knowledge, especially about barley. This is the one summer event in Alberta with a primary focus on barley, so we were pleased to be a headline sponsor while Olds College managed the tour.



Prior to this year's drought, barley and wheat prices were looking quite strong in the spring as farmers were putting crops in the ground and starting to think about marketing.”





MARKETS

Canada Grain Act Review

The Canada Grain Act (CGA) is an important piece of legislation for the agriculture sector, as it determines many of the rules around domestic marketing of grains. We have heard from our members that many aspects of the act are based on dated expectations, and that the act itself requires modernization.

We were pleased that the Government of Canada held consultations in the spring of 2021 seeking input on needed changes to the act, and Alberta Barley submitted a combined response with the Alberta Wheat Commission highlighting more than six years of concerns.

Our submission focused on modernizing the Canadian Grain Commission (CGC), including replacing the current mandatory government testing of export vessels with government oversight of private testing, and revising the CGC's funding model to address the regular funding surpluses, which now represent over \$100 million. The current model of testing is not meeting the demands of the marketplace, as evidenced by the existence of a thriving third party testing industry in Canada. The industry finds success by offering tests not provided by the Canadian government, but that are required by many international buyers. The testing system is becoming inefficient due to duplication of efforts from the private and public sectors. We believe that the system would greatly benefit if testing was centralized into the private sector, with the CGC moving into an oversight role rather than providing the service itself.

Our other concern around the CGA relates to funding. The CGC charges per tonne to grain companies for export vessel inspection, and that fee is based on expected amounts of exports. Unfortunately, the CGC has repeatedly underestimated the amount of grain being exported from Canada, resulting in extra fees charged that are ultimately passed along to farmers through lower grain prices. These funds sit on CGC accounts, as the commission has no mechanism for returning them to farmers. Consequently, we are recommending that a transparent model be employed, in which fees that support CGC funding be clearly displayed on farmer payments.

Finally, we raised the issue of updating the rights afforded to farmers. At present, a grower's right to dispute grading subject to CGC inspection assumes that they will be at the elevator and able to challenge the grade at the time of delivery. The CGA needs to recognize that farming practices have changed, as farmers often have someone else delivering their grain. The right to dispute needs to be adjusted accordingly, allowing for challenges to be raised up to five business days from the date of delivery. That right should also be expanded to allow for dispute of non-grade requirements on grain, such as falling number for wheat.

In early August, the federal government published a "What We Heard" document containing all submissions on the CGA. We were pleased to see many of our positions reflected in that report, indicating that we were not alone in raising those concerns. We will remain vigilant in pushing the federal government for the continuation of this process to modernize the GCA, stressing that the review be based on the most current considerations rather than starting over. In doing so, we hope to see the grain trade regulations updated to fit farmers' modern needs.

For those who would like to know more, our full 18 page submission to the Government of Canada is available for viewing on albertawheatbarley.com.



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Seeds Act Regulations – Seed Standards Task Team

As part of updating the seed regulations, Alberta Barley has been actively participating in several task teams examining different portions of the regulations. We have provided input on updating the rules around seed grading and taken the opportunity to recognize that the standards of quality applied to seed is currently lower than what the market offers with respect to dockage allowances and minimum vigor requirements. Recommendations were also given for providing greater transparency on details around weed content, as introducing a new weed into a field can lead to substantial financial implications. The feedback provided by farmers will encourage the government to improve the regulations that backstop seed quality without impacting seed availability. For the next step in this process, feedback from the task team will be incorporated into the overall regulatory review once other task teams have completed their work. We recognize that access to ample amounts of clean, high quality seed is important for our members, so we will continue to engage in this review on their behalf.

International Barley Promotion – Support Efforts

Harmonization of farmer practices and international markets

Ongoing support of industry co-ordination to keep chemistry off the declarations

We are constantly promoting the safety and sustainability of modern farming practices to ensure that growers maintain access to the tools they require. Concerns are being raised about political interference in these safe farming methods, with the most recent example being Health Canada’s decision in August to pause proposed increases to maximum residue limits (MRLs). This move constitutes the first political intervention in a long standing system of impartial scientific decisions rendered by Health Canada’s Pest Management Regulatory Agency (PMRA). Alberta Barley continues to join national organizations pushing the Government of Canada to reconsider this pause and allow the country to remain a world leader in creating a functioning global regulatory and trading system based on a scientific approach.

For decades, Canadians have been well served by the commitment of industry and government to science. Trust in science has proven paramount as Canada navigates the global pandemic, and we believe that this same trust must also be extended to agricultural and environmental experts going forward.

The feedback provided by farmers will encourage the government to improve the regulations that backstop seed quality without impacting seed availability.

Communication to producers of chemistry of concern via “Keep It Clean” program

We remain supportive of Cereals Canada and their “Keep it Clean” initiative to streamline industry acceptance of new chemistry in Canada and quickly respond to potential trade concerns due to changing international MRLs. We thank farmers for using chemicals safely, and remind everyone that our markets rely on exports, so we will continue to provide tools that ensure safety and open markets for everyone.

For updates, farmers are encouraged to check **kic.ca** regularly or subscribe for important updates to keep current on key changes throughout the season.

Canadian Malting Barley Technical Centre (CMBTC)

Due to ongoing restrictions on travel stemming from COVID-19, we are heavily engaged in online promotion in partnership with the CMBTC while we wait to resume our in person activity. As well, through the website **barleyharvest.ca**, we continue to provide details to our international buyers on growing conditions and crop quality. We are also facilitating one-on-one meetings with international buyers to address their individual questions and concerns.

On all fronts, we are expanding the information we produce to help highlight the positive impacts of Alberta farmers’ agronomic practices, which ensure that our barley is of the highest quality and safety.



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A Message from the Canadian Malting Barley Technical Centre



Peter Watts,
Managing Director

The global barley industry registered a significant milestone in 2020-21 – a record trade volume of 36.1 million tonnes according to the United States Department of Agriculture. Global barley production was also strong in 2020 at 160 million tonnes, the highest output since 1994 and 15 per cent above the previous 10 year average with good crops in many countries including Russia, Australia, Canada and the United Kingdom.

The strong trade volumes were driven primarily by a massive Chinese barley import program that reached a record 12.0 million tonnes, by far the largest in the world, and smashing their previous record of 9.9 million tonnes of imports in 2014-15. About 30 per cent of China's barley imports in 2020-21 were destined for the malting and brewing industries, steady from previous years, with the surge in imports driven by demand for feed barley from China's livestock sector.

With a healthy barley crop of 10.7 million tonnes in 2020, Canada capitalized on the demand from China, exporting over 3.7 million tonnes of barley from August through July of 2021, the largest program since 1990. With Australia out of the Chinese market due to prohibitive import duties, another milestone was reached with Canada exporting a record 1.6 million tonnes of malting barley. Canada's malt processing industry also had a good export program of 556,728 tonnes of malt, up 5 per cent from the previous year, despite challenges facing the global brewing industry due to the pandemic.

The banner year for Canada in terms of exports was felt at the *Canadian Malting Barley Technical Centre* (CMBTC). The first export cargo sample was received in mid-September, followed by 62 more over the course of the marketing season, a record year for cargo quality evaluations (CQCs) at the CMBTC. Every cargo sample is analyzed for 10 barley quality parameters including protein, germination energy and plump kernels, and processed in the CMBTC's 50-kilogram pilot malting system to evaluate malting performance and finished malt quality. The CQC reports are a pillar of Canada's value proposition, helping customers optimize the performance of Canadian malting barley, and supporting the premiums earned over other origins in the global market-place.

The 2020-21 marketing year also saw the transition to newer malting barley varieties advance as testing and acceptance of the promising slate of new cultivars broadens among end-uses at home and around the world. This is significant as brewers are notoriously cautious with respect to the uptake of new varieties, concerned over changes in brewing performance and sensory qualities, typically requiring a number of trials over a several seasons prior to giving the green light.



Canada's domestic malting industry are the early testers and adopters of new varieties, contracting with producers and gauging performance in the field and in processing. In parallel, the CMBTC feeds international customers with quality and performance data in the early years after registration, and once sufficient quantities of a new variety are available, the CMBTC works with seed companies, Canadian grain exporters and customers to coordinate commercial production trials with containers of new varieties shipped to end-users. In 2020-21, the CMBTC facilitated two production trials in China with a new variety CDC Fraser with promising results.

Today AAC Synergy is generally accepted by malting and brewing companies at home and abroad, while varieties such as AAC Connect, CDC Bow and CDC Fraser are increasingly being tested and accepted by both domestic and international end-users, gradually replacing stalwart, internationally recognized varieties such as AC Metcalfe and CDC Copeland, whose lives have already spanned 20 years. Of course producers play a vital role in this transition as there must be supply to drive uptake by end-users. Producers are taking some risk by growing a new variety, and it doesn't always work out, but this is a critical piece of the process as our industry addresses the proverbial chicken-or-the-egg dilemma.

Through communications such as the annual "Malting Barley Variety Recommended List", the CMBTC provides guidance to producers on which varieties have demonstrated agronomic and end-use quality characteristics, and which are in demand in the market place, ensuring Canada's farmers have the knowledge to make informed production and marketing decisions with respect to malting barley.

In summary, the current transition we are witnessing with respect to malting barley varieties is encouraging and a testament to the concerted promotional efforts on the part of Canada's barley sector.

Another important factor impacting Canada's barley industry in recent years is the rise in demand for feed barley, supporting prices and ultimately production. Canada itself is one of the largest feed barley markets in the world, with the livestock sector using some six million annually. Only a handful of countries in the world use this much feed barley domestically. With feed barley exports flirting with 1 million tonnes in both 2018-19 and 2019-20, followed by nearly two million tonnes sold for export in 2020-21, it's clear there will be demand for Canadian feed barley in the future. This bodes well for the entire sector, as a large demand base allows producers to grow barley knowing there are marketing options.

While 2020-21 was a very good year for the barley industry in Canada, the drought of the summer of 2021 has created significant challenges for the entire value chain, from producer through maltsters, brewers and the livestock sector. Production, supply and quality challenges, not to mention historically high prices, will characterize the 2021 harvest and marketing year. However, the long-term trajectory of Canada's barley industry is positive.



Producers are taking some risk by growing a new variety, and it doesn't always work out, but this is a critical piece of the process as our industry addresses the proverbial chicken-or-the-egg dilemma."



2021 was another busy year in the policy and government relations department. We launched several new initiatives and continued to work on strengthening our collaboration with our Team Alberta colleagues across the crop sector. While many of our advocacy efforts have continued to be adapted, we have engaged in collective all-party advocacy and outreach to amplify farmers' voices.

Team Alberta

Team Alberta is a coalition of the four major crop commissions in Alberta: Alberta Barley, Alberta Wheat Commission, Alberta Pulse Growers and Alberta Canola Producers. Each year, we collaborate on several key policy priorities and have continued to prove the effectiveness of this model in influencing policy.

Business Risk Management programs tested through the 2021 drought

In 2021, we worked closely with Agriculture Financial Services Corporation (AFSC), both levels of government and our national partners to encourage the incremental changes that were made to the AgriStability program with the removal of the reference margin limit. However, we were disappointed in our provincial government's response to the worst drought in 20 years as it pertained to the crop sector and the inability of existing programs to address the issue. We continue to work closely with AFSC and the provincial and federal government toward more responsive, predictable and equitable business risk management programs. The responsiveness of these programs has been tested through unprecedented drought conditions of the past harvest, and we will press for meaningful reform of these programs under the next agricultural policy framework that will come into place in 2023. Alberta Barley has been actively involved in preparing recommendations to governments regarding priorities for the new vision and strategic initiatives for our farmers.

Mandatory Entry Level Training

With the expiration of the extension for farmers and farm workers to obtain class 1 mandatory entry level training (MELT) in March of 2021, Team Alberta has continued to work closely with Alberta Transport to advocate for solutions to reduce the cost and time for farmers to obtain a class 1 license with MELT and also to increase the availability of Class 1 drivers to service the agricultural sector.

Grain Drying Study wraps up

This year, Team Alberta completed its third and final year of data collection toward measuring the energy usage of grain drying systems in the province. This three-year study produced groundbreaking data for the Prairie provinces that will affect grain drying policy and will contribute to a national analysis of grain drying technology.

Alberta K-6 curriculum input

Team Alberta also collaborated on providing detailed input and advocacy on Alberta's K-6 curriculum development to emphasize the need for relevant agricultural education and history to be embedded in early learning outcomes.

Team Alberta Modernization

Team Alberta has become well recognized across all levels of government for its representation and advocacy efforts on behalf of crop sector farmers. Wherever possible, our groups look to gain efficiencies by working together while maximizing the voice of the farmers we collectively represent.

To that end, Team Alberta has committed to strengthening our collaborations in planning, strategizing and advocacy on shared policy priorities. This year we came together with members of the Crop Sector Working Group to re-envision an expanded Team Alberta to leverage the brand awareness and effectiveness by including more crop groups. This expansion will further amplify the policy positions of the crop sector in Alberta and will be implemented in the new year. Under the management of a shared employee, new Team Alberta members will include the Alberta Sugar Beet Growers, Potato Growers of Alberta, Alberta Seed Growers and Alberta Beekeepers Commission. Other groups have expressed interest in this model, and we will be working to refine and implement a consensus-based operating and governance structure.

Team Alberta Wetland Stewardship/Water Monitoring Project

The new water monitoring/wetland stewardship that our crop sector groups have worked on collectively this past year is a good example of how we are stronger together as an expanded group. With funding from Results Driven Agriculture Research [RDAR], the commissions, the Canadian Agricultural Partnership [CAP] and registrants, this novel three-year project is based around a targeted water monitoring program aimed at validating the health of aquatic ecosystems in proximity to crop systems. The primary goal of the work is to provide western Canadian water monitoring data to the Pest Management Regulatory Agency [PMRA], our national regulating body, as a data-driven means to defend the safety of critical crop protection products while they undergo ongoing re-evaluation. The project also analyzes and validates the effectiveness of wetland stewardship practices in protecting ecosystem/aquatic health. This work has been well received by the PMRA and national groups and we are now working toward setting a vision for a national water monitoring project.

Environment/Climate Change

The recent Supreme Court of Canada ruling in favour of the carbon tax has put a focus on Alberta to develop a climate change plan in alignment with the federal government's targets. Through Team Alberta, we provided detailed input and participated in a number of engagements with government to help shape the policy as related to agriculture, while minimizing impacts.

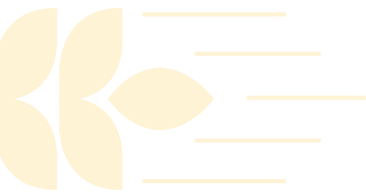
Over the past year, we have collaborated with a number of groups to discuss policy implications and recommendations. We also worked to understand the opportunities for farmers through measures like analysis of the clean/renewable fuel standards.

Further to this, we have developed new initiatives that leverage funding to enhance our knowledge of critical issues related to climate change. These include projects that examine:

- Risk management strategies for adaptation and resiliency to changing climates in the cropping sector.
- Assessment of beneficial management practices for carbon sequestration in Prairie crop production.
- Building on our grain drying work provincially by collaborating on a national approach to defining the technological requirements of grain drying to limit the impact of the carbon tax.



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Our team participated in consultations as part of the PMRA re-evaluation process, and we have already begun to see positive outcomes from that engagement.”

Calgary Chamber of Commerce

We have seen great value in membership on the Calgary Chamber of Commerce over the past year. This participation has allowed us to be included in a number of agriculture and agri-food related roundtable meetings with key government officials both at the provincial and federal level. Through our membership we will continue to support the Canada’s Agriculture Summit event held by the Chamber of Commerce.

Federal Policy Engagement

Alberta Barley’s policy team works to support all departments across the organization on regulatory and policy issues and in the development of advocacy efforts at the federal level.

Health Canada Pest Management Regulatory Agency (PMRA)

Our team participated in consultations as part of the PMRA re-evaluation process, and we have already begun to see positive outcomes from that engagement. Again, this year, our policy team at the federal level focused on conducting policy research and preparing submissions on various regulatory decisions of the PMRA related to crop protection products. We have also been involved with garnering commitments to undertake a national water monitoring program, and we participated in western-focused consultations related to the mandate of a new Canadian water agency that seeks to promote collaboration with different levels of government.

At present, our team continues to monitor decisions that could impact the availability of pest management tools for farmers.

Federal Election

During the recent federal election, Alberta Barley’s policy team informed farmers of the major parties’ agricultural platform priorities. We also conveyed our key messages to candidates to raise awareness of western Canadian farmers’ priorities.

Grain Growers of Canada Advocacy

This past year, Alberta Barley participated in the Grain Growers of Canada’s committees and working groups to formulate policy and advocacy strategies on national priorities. While in-person engagements have pivoted in response to COVID-19 health restrictions, Alberta Barley continues to work through our membership with the Grain Growers of Canada to build relations with officials and keep our farmers’ priorities of front of mind in Ottawa.

From the Grain Growers of Canada, a lay of the [political] landscape for 2022

At first glance, the political landscape in Ottawa post-election does not appear much different than it did a few months ago, yet a renewed Liberal minority government may operate differently this time around. This is largely due to the fact that it was clear no one wanted a pandemic election this summer, and it is hard to see a scenario where there would be much public appetite in the near future. Combine that with the reality that the political parties will need to restock their campaign war chests, it is tough to think the governing Liberals will have trouble finding support from one of the other opposition parties to move forward with their agenda.

What does this mean for farmers, though? It means that environmental policy will remain the focus for agriculture under this government, and we need to continue to grapple with ensuring that MPs, Ministers, and bureaucrats better understand the impacts of certain policy proposals in this space. Additionally, it means we will need to continue to engage with all political parties to ensure that our sector's priorities cannot be ignored.

During the lead up to recent federal election campaign, the Grain Growers of Canada [GGC] actively engaged with all of the main political parties to stress the core areas of agricultural policy that we wanted to see included in their respective election platforms. Our areas of focus included:

- Increased funding towards more effective risk-management programs
- Investing in Ag research to better position grain growers for the future
- Refocus regulation to enable innovation and increase Canada's competitiveness
- Modernize the Canada Grain Act to reduce costs, maintain protection, and return excess service fees to farmers
- Break down trade barriers, and aggressively defend Canada's exporters
- A Made-in-Canada approach to environmental policy that recognizes and rewards farmers for being part of the climate change solution

While all the Party platforms lacked any real emphasis on agriculture, we will continue to focus on driving the needs of our sector forward. This starts with our semi-annual outreach and advocacy campaign, National Grain Week, December 13 – 16, 2021. We are hopeful that this will be our last virtual campaign and that we can bring farmers to Parliament Hill for face to face meetings with key MPs, Senators and Officials before this spring's seeding.

Despite the challenges before us, GGC will continue to raise issues that matter to Canadian farmers to all parties in Ottawa. After a difficult growing season for many producers, rising input costs, and a volatile trade environment, it is more important than ever that we loudly stand up for the needs of Canada's grain growers – and that's just what we are going to do.



Erin Gowriluk,
Executive Director
Grain Growers of
Canada





COMMUNICATIONS AND EVENTS

The communications department serves as support to the many programs and activities of Alberta Barley.

The communications and events team works closely with key programs such as research, market development, and government relations and extension. As part of this effort, we produce material and content for these programs, including press releases to spread the word when newsworthy topics arise. We also advise and brainstorm ideas with each department on the most effective means of communicating and connecting with farmers. We take great pride in ensuring that the commissions' activities are consistently conveyed, as well as the value they deliver to Alberta farmers.

For example, when the government makes an announcement that could impact Canadian agricultural policy, we develop informational branded emails that are sent to our farmer membership. We also use The Grain Exchange newsletter to keep growers informed and ensure that all of our activities, events, news and programs are shared through social media. This allows our members to acquire timely, relevant knowledge and engage in two-way conversations with the commission.

Event planning is also a critical function of the department, and you will have already read about the many events we plan throughout this annual report including agronomy update, In-the-Field webinars and regional meetings to name a few.

In a normal year, Alberta Barley collaborates with the Alberta Wheat Commission to host the Prairie Cereals Summit (PCS) in Banff, during which our AGM also takes place. Prairie Cereals Summit (PCS) was cancelled in 2020 due to Covid-19, but we are looking forward to hosting the 2021 event on December 8-9, 2021. Thanks to Megan Evans for her work in organizing our annual PCS event as well as all other commission events.

This spring, we launched a new joint website for the Alberta Wheat and Barley Commissions. The site lists our priorities in core areas like research, market development, government relations and extension. Each department functions differently and has a unique way of showcasing what they do, so this site is a prime opportunity to showcase those differences. The site also has a unique function that allows the commissions to intuitively place news in-front of our farmer audience, so they can consume timely updates on our advocacy efforts and the key issues of the day.

In addition, the communications and events team supports marketing efforts for various departments. This includes programs like FarmCash, a strong management tool for western Canadian producers. We work with the FarmCash team by developing an advertising campaign that

promotes their competitive advantages. We also developed the marketing, advertising and roll out strategy for Alberta's Crop Protection Guide [Blue Book] to ensure that the publication was well known and findable for farmers.

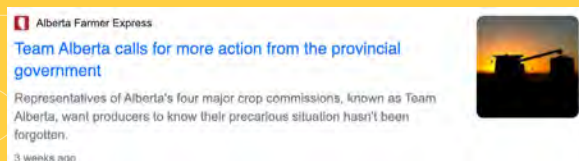
As part of its role, communications services all departments and initiatives that require farmer engagement. When talk first began around amalgamation of Alberta Barley and the Alberta Wheat Commission, our team was integral in establishing a farmer engagement strategy to promote a series of consultations and enable farmers to provide their input in the process.

With the recent growth of the agronomy extension program, including an agronomy extension communication channel called The Growing Point, we collaborate to update content and facilitate its delivery to farmers in an easily consumable manner. In support of Plot2Farm, an on-farm research program, we developed the branding and program material development that helped bring the program to life.

Our team works hard to communicate and showcase the commissions' value to farmers. The communications team also works closely with mainstream media to heighten and amplify our voice, presence and position on key issues and files. We send press releases in a timely fashion and make every effort to gain coverage, and garner media pick-up wherever possible. The commissions are often seen quoted or featured not only in agriculture media, as well as mainstream media such as CTV, CBC, Global News, BNN Bloomberg, and more.



The Growing Point



AGM



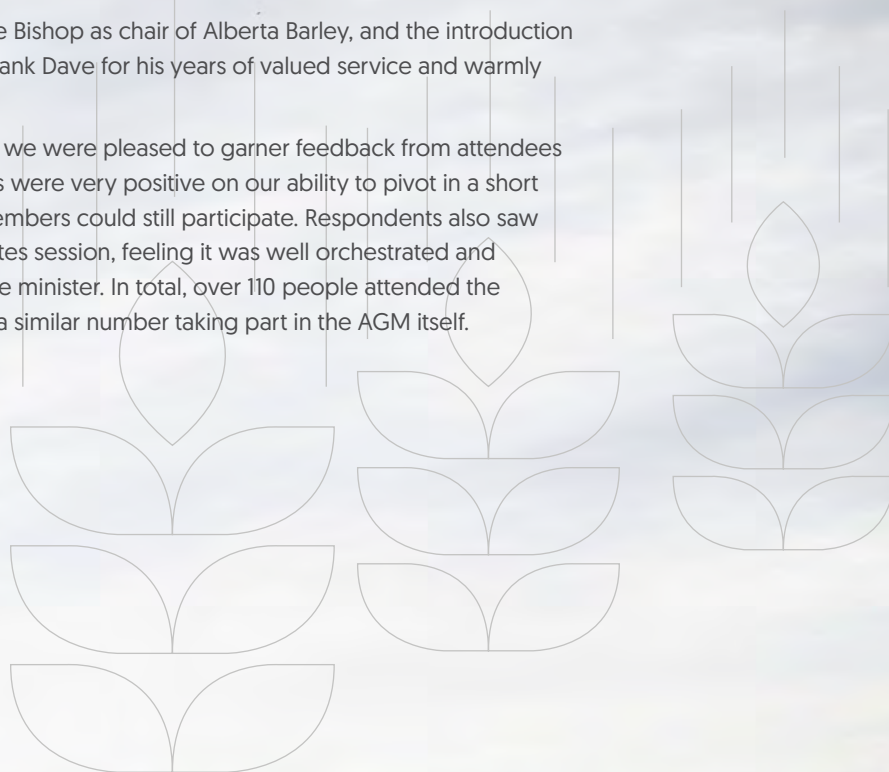
Annual General Meeting

For the first time in our history, the Alberta Barley AGM was held virtually on December 9, 2020. It also marked our first use of e-voting capability.

Prior to the meeting, we held a directors and delegates session with Alberta Agriculture Minister Devin Dreeshen that included a question and answer portion. The minister spoke about business risk management and what the government is doing regarding new programs to support this critical area for farmers. The meeting itself enabled us to present our financials to members, update votes on resolutions from previous meetings and provide the latest details on the amalgamation process with the Alberta Wheat Commission.

This AGM marked the last term for Dave Bishop as chair of Alberta Barley, and the introduction of Tara Sawyer as our new chair. We thank Dave for his years of valued service and warmly welcome Tara to her new role.

Given the challenges of the pandemic, we were pleased to garner feedback from attendees on the virtual approach. The comments were very positive on our ability to pivot in a short period of time to a virtual format so members could still participate. Respondents also saw great value in the directors and delegates session, feeling it was well orchestrated and appreciating the chance to question the minister. In total, over 110 people attended the directors and delegates sessions, with a similar number taking part in the AGM itself.



GrainsWest



We saw growing attention to The GrainsWest Podcast this year, including the episode “Alcohol-Free Beer Goes Big.”

GrainsWest empowered readers throughout the year with timely topics and compelling stories.

Over the year, *GrainsWest* magazine covered critical topics with three farmer-focused issues and a special technology edition. We also produced a special theme edition that examined beneficial insects and their exciting potential for the crop sector. In the article “Friends with benefits” by Trevor Bacque, we looked at promising research by Haley Catton and Tyler Wist on their use of data to make the case for incorporating beneficial insects in commodity crop agronomics. This is an intriguing field of study with potential broad financial benefits for farmers. The feature was very well received, with the print and online versions generating considerable interest.

The cover story of our most recent technology edition, “Binyard buildouts”, is a major examination of on-farm grain handling systems. The article makes a case study of a substantial rebuild now in progress and discusses how farmers are incorporating new technologies in such projects.

Earlier in the year, our story on containerized shipping addressed the expanded use and potential of sea containers to market grains across the planet. The subject continues to evolve as this marketing mechanism has since been put under negative pressure by pandemic shipping constrictions.

As part of our commitment to address timely topics, we prepared a three-part series on carbon issues in agriculture. This broad industry overview of carbon controversy breaks down the complex nature of the subject for farmers and looks closely at how carbon issues come to bear on the agriculture sector.

We saw growing attention to The *GrainsWest Podcast* this year, including the episode “Alcohol-Free Beer Goes Big.” The topic was of great interest to listeners in light of significant expansion in the non-alcoholic beer market. The episode showcased the technology employed by craft brewers to make new alcohol-free and low alcohol beverages, including proprietary methods, combined technologies and top-secret processes. This trend has boosted the movement of malting barley in Alberta and presents a new marketing opportunity for farmers that was important to highlight.





We also engaged in custom publishing work this year. *GrainsWest* designer Tommy Wilson collaborated with the Alberta Pulse Growers communications team to produce *Pulse Crop News*, and we are very proud of the final result.

In an additional custom publishing project, our team took on the 2021 *Crop Protection Manual* (Blue Book), editing its content and making product updates. Since assuming responsibility for the guide from the Alberta government, we have reformatted it and revised key sections. This includes the safety portion, which was overhauled with help from AgSafe Alberta. The pick-up rate with farmers was extremely strong and this year's version sold almost 10,000 copies.

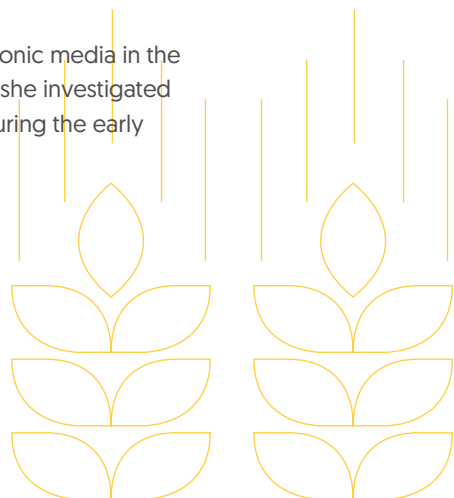
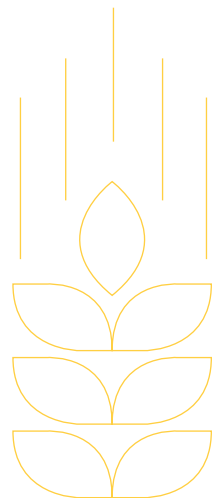
GrainsWest received a substantial pat on the back from our farm media colleagues at the 2021 Canadian Farm Writers' Federation Awards held on Sept. 24. Writer Carol Patterson was honoured with both the gold Jack Cram Award for people feature and feature of the year for "Special circumstances," the cover story of our winter 2020 issue. The story looked at farm life and agronomic practices in Alberta's arid Special Areas.

With a sweep of three categories, Trevor Bacque won a gold in the technical feature category, story of the year and reporter of the year for his piece "Sow what?" The piece, which also appeared in the magazine's winter 2020 issue, is an objective examination of seed add-ons and specialty fertilizers.

Thirdly, Sarah Weigum was presented with the silver Tom Leach Award for electronic media in the audio category, for "PPE MIA," the sixth episode of *The GrainsWest Podcast*. In it, she investigated the lack of personal protective equipment experienced within the farm sector during the early months of the COVID-19 pandemic.



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FINANCE AND GOVERNANCE

Budget development - 2022

Developing a budget this year was a challenging process. In light of the large scale drought on the Prairies and its significant impact on farmers, it was necessary to pare down our budget and operate as efficiently as possible with a priority-based approach. Based on reports from Statistics Canada, both wheat and barley suffered a 40 per cent drop in production this past growing season. As a result, we cut back certain projects, committed to due diligence and, since we rely heavily on farmers for our revenue, prepared ourselves for a worst case scenario. While the pandemic also impacted operations, we are moving forward with a balanced budget for Alberta Barley for 2022.

Value-Proposition of Check-offs

The finance department oversees check-off dollars and evaluates the best return-on-investment to ensure funds are spent responsibly on behalf of Alberta barley farmers. Accountability and transparency maintain our finance department to the highest standard.

The finance team completed the 2021 audit with a clean report from the auditors and no recommendations for internal controls. In addition to managing finances for Alberta Barley and Alberta Wheat Commission, the team also administers a number of grants and provides financial services to various organizations including GrainsWest, Barley Council of Canada and AgSafe Alberta. Managing these portfolios eliminates duplication of work and allows for further cost-savings and efficiencies with Alberta wheat and barley growers' check-off dollars. With any investments we review, our goal is ensuring that they create value for producers.

Diversity and Inclusion

The commission has diversity inclusion practices in place, and focused on adopting, practicing and communicating those practices to our stakeholders in 2021. At present, 59 per cent of our workforce is composed of women, and 41 per cent come from diverse backgrounds. That represents a tremendous success for the organization as we have harnessed great minds with a variety of experiences and ways of thinking, all working towards one goal. Our approach of hiring and promoting based strictly on a candidate's merit gives everyone an equal opportunity to climb the ladder of success and ensures a culture of empowerment for every staff member.

To further foster an inclusive workplace, Alberta Barley includes all staff at every level in major business operational and strategic discussions, ensuring that everyone feels part of the big picture. We are also looking at developing methods that we can combine with our current parameters and metrics to more closely measure diversity and inclusion. Though we are excited about the progress we have made, we still believe there is more to be done. In 2022, our focus will be to further develop metrics to measure diversity and inclusion and to develop succession plans for directors and delegates.

Barley Council of Canada – Evolution of the barley value chain

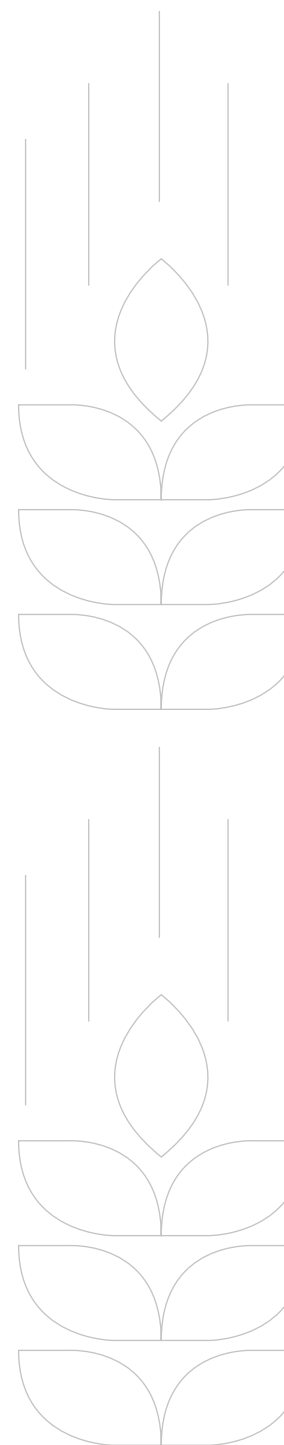
This fiscal year, Alberta Barley focused on a major transition of the barley value chain in Canada. The goal was to consolidate efforts, eliminate duplication and represent barley farmers more effectively at both the provincial and national level.

This involved the formation of a transition management team, including Syeda Khurram from Alberta Barley, Jill McDonald from Saskatchewan Barley Development Commission and Peter Watts from Canadian Malting Barley Technical Centre. The team was assigned to assess the needs of the current barley value chain, determine if it is meeting the expectations of producers and propose a model that provides the best possible value for farmer dollars. The team had a number of discussions throughout the year to shepherd BCC through the next stage of evolution, working with all barley value chain participants to design a renewed model that maximizes the use of financial resources. The team also held a barley roundtable on April 1, 2021, involving major players in the barley value chain to obtain their feedback. The participants included grower and industry associations, line companies, maltsters and researchers.

As a result, Alberta Barley is moving towards a new value chain model focusing on relationships with national value chain members such as Cereals Canada, Canadian Malting Barley Technical Centre and Brewing Malting Barley Technical Centre. The overarching goal is to continue supporting market development and market access functions.

Though we are no longer members of the Barley Council of Canada, we are fully committed to the barley cluster they administer, which is a five-year, \$11 million barley research program.

This fiscal year, Alberta Barley focused on a major transition of the barley value chain in Canada. The goal was to consolidate efforts, eliminate duplication and represent barley farmers more effectively at both the provincial and national level.





FINANCIALS

Management's Responsibility

To the Members of Alberta Barley Commission:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Commission. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Commission's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

November 12, 2021



Tom Steve, General Manager

Independent Auditors' Report

To the Members of Alberta Barley Commission:

Qualified Opinion

We have audited the financial statements of Alberta Barley Commission (the "Commission"), which comprise the statement of financial position as at July 31, 2021, 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 and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2021, 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

In common with many similar organizations, the Commission derives revenue through "check-off" fees received from barley producers, the completeness of which could not be satisfactorily verified during our audit. Accordingly, our verification of these revenues and related accounts receivable and deferred revenue was limited to the amounts recorded in the Commission's records and we were unable to determine whether any adjustments might be necessary to check-off fee revenue, excess of revenue over expenses, assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with 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 the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Calgary, Alberta
November 12, 2021
Accountants

MNP LLP
Chartered Professional

Statement of Financial Position

As at July 31, 2021

	General Operating Fund	Restricted Fund	2021	2020
Assets				
Current				
Cash	2,474,332	–	2,474,332	1,477,481
Restricted cash – Farmer-led Research Grant Funding (Note 11)	–	–	–	279,790
Short-term investments (Note 4)	569,612	–	569,612	490,422
Accounts receivable (Note 5)	402,185	–	402,185	606,110
Prepaid expenses	42,665	–	42,665	58,114
	3,488,794	–	3,488,794	2,911,917
Capital assets (Note 6)	82,747	7,678	90,425	109,226
Long-term investments (Note 4)	1,204,731	–	1,204,731	1,260,507
	4,776,272	7,678	4,783,950	4,281,650
Liabilities				
Current				
Accounts payable and accruals	528,908	–	528,908	805,901
Grant commitments (Note 7)	–	30,920	30,920	30,920
Deferred revenue (Note 8)	1,500,130	–	1,500,130	1,561,523
Deferred revenue – Shochu project (Note 9)	–	23,692	23,692	23,692
Deferred related to capital assets contributions (Note 10)	–	7,678	7,678	17,557
Deferred revenue – Farmer-led Research Grant Funding (Note 11)	–	–	–	279,790
	2,029,038	62,290	2,091,328	2,719,383
Commitments (Note 13)				
Significant event (Note 3)				
Net Assets				
Restricted	–	(54,612)	(54,612)	(54,612)
Unrestricted	2,747,234	–	2,747,234	1,616,879
	2,747,234	(54,612)	2,692,622	1,562,267
	4,776,272	7,678	4,783,950	4,281,650

Approved on behalf of the Board



Director



Director

Statement of Operations

For the year ended July 31, 2021

	General Operating Fund	Restricted Fund	2021	2020
Revenue				
Check-off fee revenue <i>(Note 8)</i>	3,611,319	—	3,611,319	2,689,197
Check-off refunds <i>(Note 8)</i>	(206,998)	—	(206,998)	(133,490)
Farmer-led Research Grant Funding revenue <i>(Note 11)</i>	—	280,316	280,316	320,210
GrainsWest revenue	55,283	—	55,283	86,643
Database license revenue	30,000	—	30,000	46,329
Barley Council of Canada revenue	18,000	—	18,000	13,500
Ag Safe service fee	18,000	—	18,000	—
Shochu project revenue <i>(Note 9)</i>	—	9,879	9,879	9,879
Prairie Cereals Summit Sponsorship revenue	4,125	—	4,125	59,902
Sponsorships	622	—	622	4,426
Miscellaneous income	84	—	84	1,738
	3,530,435	290,195	3,820,630	3,098,334
Expenses				
Research expenses	610,654	—	610,654	558,925
Salaries, benefits and contractors	434,218	—	434,218	407,601
General and administrative	314,843	—	314,843	352,700
Communications	285,738	—	285,738	300,584
Farmer-led Research Grant Funding expenses <i>(Note 11)</i>	—	280,316	280,316	320,210
GrainsWest expenses	186,606	—	186,606	169,463
CMBTC commitment <i>(Note 16)</i>	153,896	—	153,896	60,650
Policy development expenses	118,728	—	118,728	141,107
Market development expenses	75,977	—	75,977	103,508
Directors fees and expenses	75,109	—	75,109	56,335
Marketing and events	60,459	—	60,459	206,118
Professional fees	34,960	—	34,960	34,850
Staffing and recruiting	—	—	—	232
	2,351,188	280,316	2,631,504	2,712,283
Excess of revenue over expenses before other items	1,179,247	9,879	1,189,126	386,051
Other items				
Interest income	32,273	—	32,273	27,130
Unrealized gain on investments	4,445	—	4,445	42,934
Barley Council of Canada contribution <i>(Note 12)</i>	(95,489)	—	(95,489)	(125,909)
	(58,771)	—	(58,771)	(55,845)
Excess of revenue over expenses	1,120,476	9,879	1,130,355	330,206

Statement of Changes in Net Assets

For the year ended July 31, 2021

	General Operating Fund	Restricted Fund	2021	2020
Net assets, beginning of year	1,616,879	(54,612)	1,562,267	1,232,061
Excess of revenue over expenses	1,120,476	9,879	1,130,355	330,206
Transfer from restricted funds <i>(Note 15)</i>	9,879	(9,879)	—	—
Net assets, end of year	2,747,234	(54,612)	2,692,622	1,562,267

Statement of Cash Flows

For the year ended July 31, 2020

	2021	2020
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	1,130,355	330,206
Amortization	29,911	31,976
Unrealized gain on investments	(4,445)	(42,934)
Amortization of deferred capital contributions	(9,879)	(9,879)
	1,145,942	309,369
Changes in working capital accounts		
Accounts receivable	203,925	(110,109)
Prepaid expenses	15,449	(2,308)
Accounts payable and accruals	(276,993)	177,399
Deferred revenue	(61,393)	360,167
Deferred revenue - Farmer-led Research Grant funds spent	(280,316)	(320,210)
	746,614	414,308
Financing		
Farmer-led Research Grant Funding program funds received	526	600,000
Investing		
Purchase of capital assets	(11,105)	(14,928)
Purchase of investments	(505,656)	(8,973)
Proceeds on disposal of investments	486,682	—
	(30,079)	(23,901)
Increase in cash resources	717,061	990,407
Cash resources, beginning of year	1,757,271	766,864
Cash resources, end of year	2,474,332	1,757,271
Cash resources are composed of:		
Cash	2,474,332	1,477,481
Restricted cash - Farmer-led Research Grant Funding	—	279,790
	2,474,332	1,757,271

Notes to the Financial Statements

For the year ended July 31, 2021

1. Incorporation and nature of the organization

Alberta Barley Commission [the "Commission"] is a non-profit, producer funded commission formed on August 1, 1991 under the Province of Alberta's Marketing for *Agricultural Products Act*. It is registered as a not-for-profit organization and, thus, is exempt from income taxes under 149(1)(l) of the *Income Tax Act* ("the Act"). In order to maintain its status as a registered not-for-profit organization under the Act, the Commission must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The Commission's mandate is to give Alberta barley producers an organization for developing new markets and products for barley and for influencing the direction of research dedicated to barley production.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

The Commission follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the Restricted Fund.

Unrestricted contributions are recognized as revenue of the General Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue in the General Operating Fund when earned.

Alberta Barley Commission changed from a third-party check-off program to an in-house operation called the 'Levy Plus Check-Off Database'. The Commission re-licensed the database and entered into five-year re-licensing agreements with Manitoba Canola Growers, Manitoba Corn Growers, Manitoba Flax Growers Association, Manitoba Pulse & Soybean Growers, Manitoba Wheat & Barley Grower Association, Winter Cereals Manitoba and the National Sunflower Association of Canada. Revenue is recognized over the life of the relevant agreements.

Financial instruments

The Commission recognizes its financial instruments when the Commission becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA Handbook Section 3840 *Related Party Transactions*.

At initial recognition, the Commission may irrevocably elect to subsequently measure any financial instrument at fair value. The Commission has not made such an election during the year.

The Commission financial assets and liabilities are subsequently measured at amortized cost.

2. Significant accounting policies *(continued from previous page)*

Financial asset impairment

The Commission assesses impairment of all of its financial assets measured at cost or amortized cost. An impairment of financial assets carried at amortized cost is recognized in the excess of revenue over expenses when the asset's carrying amount exceeds the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

The Commission reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. Where an impairment charge is subsequently reversed, the carrying amount of the financial asset is increased to the revised recoverable amount to the extent that it does not exceed the carrying amount that would have been determined had no impairment charge been recognized in previous periods. The amount of the reversal is recognized in the excess of excess of revenue over expenses in the year the reversal occurs.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives.

	Method	Rate
Computer equipment	declining balance	20 %
Equipment for Shochu project	straight-line	10 years
Furniture and fixtures	declining balance	20 %
Promotional equipment	declining balance	33 %
Kids booth	straight-line	5 years

Deferred contributions related to capital assets

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions that were used to purchase the Commission's capital assets related to the Shochu project. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Measurement uncertainty (use of estimates)

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. Significant event

During the previous year and continuing through the current year, the global outbreak of COVID-19 (coronavirus) continued to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown as to the extent of the impact the COVID-19 outbreak may have on the Commission as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

The Commission has been closely monitoring the outbreak of COVID-19 and is taking preventive measures dedicated to prioritizing the health of its staff.

4. Investments

Investments include corporate bonds with yields to maturity between 1.090% and 3.200% [2020 – 1.583% and 3.200%] and maturity dates between September 13, 2021 and July 3, 2024 [2020 – October 9, 2020 and December 14, 2023].

Investments are stated at their market value. It is the intention of the Board to hold all investments until maturity. Investments maturing within the next fiscal year or held in investment savings accounts have been reclassified as short-term investments.

5. Accounts receivable

	2021	2020
Check-off fees receivable	205,850	362,762
Alberta Wheat Commission	130,834	177,932
Other receivables	65,501	65,416
	402,185	606,110

Alberta Wheat Commission is related to the Commission by virtue of common management. All transaction between the two parties are measured at exchange amount and bear standard commercial terms of repayment. At July 31, 2021 the Commission had various balances payable to Alberta Wheat Commission, resulting in a net payable of \$96,147 [2020 – net payable of \$61,689].

6. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	179,580	135,547	44,033	43,010
Equipment for Shochu project	98,791	91,113	7,678	17,558
Furniture and fixtures	137,498	116,449	21,049	25,057
Promotional equipment	23,985	23,424	561	838
Kids booth	28,292	11,188	17,104	22,763
	468,146	377,721	90,425	109,226

Amortization expense of \$29,911 (2020 – \$31,976) is included in general and administrative expenses.

7. Grant commitments

When funding for a research grant is approved by the Commission, the full amount is recorded as an expense in operating expenses and accrued as a liability. Expenditures related to grants are then charged as a reduction to the grant liability. The amount shown as grants payable is the amount of funding allotted to various programs that is yet to be spent. The funds to cover these liabilities are in the Commission's cash, short-term investments and long-term investments accounts.

8. Deferred revenue

The Commission receives revenues in the form of check-off per tonne when barley is delivered. The buyer of the barley then remits this check-off fee to the Commission. As the Commission relies only on the buyers' remittances, the Commission cannot accurately determine its revenue until collected.

To estimate check-off fees receivable, the Commission examines the remittances received early in the next year and determines which remittances are for barley purchased in the current year. This amount is then recorded as check-off fees receivable.

As there is no reliable cost effective method of reasonably determining the amounts of additional remittances receivable, they are not recorded in these statements.

Check-off fees received are recorded as deferred revenue until the charge is no longer eligible to be refunded to the producer after the six month period of eligibility. Accordingly, these statements recognize as income only those fees received not eligible for refund. Fees that are still eligible for refund are recorded as deferred revenue.

9. **Shochu project**

The Shochu Barley Commercialization project [“Shochu project”] is funded by the Alberta Barley Commission, Sanwa Shurui Co., Ltd. and Alberta Crop Industry Development Fund [ACIDF]. The purpose of this project is to develop a value chain with key farmers to supply this premium barley market with “Grown in Alberta” Shochu barley which consistently meets Shochu specifications for the end user.

As the funds received by the Commission were solely for this project, any funds not spent were segregated and reported as deferred revenue. When the appropriate expenditure is made, the corresponding amount is recognized as revenue in the same year in which the expense is made. Funding received for capital asset purchases is recorded as deferred capital contributions and amortized on the same basis as the related cost. During the year ended July 31, 2021 amortization of deferred capital contributions amounted to \$9,879 [2020 – \$9,879].

The Shochu project completion date was March 31, 2016, all deferred revenue relating to this project remains deferred pending agreement for its use.

10. **Deferred contributions related to capital assets**

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

	2021	2020
Balance, beginning of year	17,557	27,436
Less: Amounts recognized as Shochu project revenue during the year	[9,879]	[9,879]
	7,678	17,557

11. **Farmer-led Research Grant Funding**

On March 25, 2020, the Commission entered into an agreement with the Minister of Agriculture and Forestry of Alberta for grant funding in the amount of \$2,000,000. The grant assisted with the costs associated in establishing a farmer-led non-profit arm’s-length agriculture research organization - Results Driven Agriculture Research [RDAR]. Costs included legal, professional, consulting, and other related expenditures necessary to support the start-up of RDAR to fund agriculture research projects and encourage growth and profitability of the agriculture industry. The Commission agreed that funds would not be used for capital expenditures.

The Commission was eligible to receive grant disbursements upon approval of status reports, addressed to the minister, by a predetermined date. The final report was submitted during the year. As the funds received by the Commission were solely for this program, any funds not spent were segregated and reported as deferred revenue. When the eligible expenditures were incurred, the corresponding amount was recognized as revenue in the same year in which the expenses were incurred.

In the prior year, the Commission received an initial payment of \$600,000 and deferred unutilized funds of \$279,790. During the year, the Commission received a payment of \$526 and recognized in the statement of operations revenue of \$280,316 [2020 – \$320,210] and expenses of \$280,316 [2020 – \$320,210] from the RDAR program. The Commission provided a loan to RDAR in the amount of \$35,143 to pay for additional expenses not recoverable through the original agreement. The loan was fully repaid as of July 31, 2021. During the year, RDAR was incorporated and became a separate legal entity. The Commission did not request the remaining grant funding of \$1,400,000. The agreement was completed on March 31, 2021 and unutilized proceeds were \$nil at year-end [2020 – \$279,790].

12. Barley Council of Canada

Included in expenses in the statement of operations is \$95,489 (2020 – \$125,909) provided to Barley Council of Canada for operating purposes.

As at July 31, 2021, the Commission has \$16,403 (2020 – \$nil) due from Barley Council of Canada included in accounts receivable.

Effective August 1, 2021, the Commission will discontinue all staffing and administrative services, and funding to the Barley Council of Canada.

13. Commitments

The Commission occupies leased premises subject to minimum monthly rent until the termination of the contract at August 31, 2025. The rental agreement is a joint agreement with the Alberta Wheat Commission which is responsible for one half of the below payments:

2022	65,177
2023	130,354
2024	130,354
2025	130,354
2026	10,863
	<hr/>
	467,102

14. Financial instruments

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

15. Interfund transactions

Funds were transferred between the Unrestricted Fund and the Restricted Fund to meet the Commission's operating requirements.

16. CMBTC funding commitment

The barley commissions in Alberta, Saskatchewan and Manitoba assumed the responsibilities and financial obligations of the Western Canadian Deduction ("WCD"). A portion of the WCD provided funding to the Canadian Malting Barley Technical Centre ("CMBTC"), which provides market technical support services to the Canadian malting barley value chain. In an ongoing effort to strengthen market opportunities for Alberta and Canadian grown malting barley to domestic and international markets, the Alberta Barley Commission committed to continue to provide funding to CMBTC at \$0.04/tonne of barley for which the Commission collects a levy.



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