



Growing stronger
Growing smarter
Growing forward



Alberta Wheat
COMMISSION

Annual Report 2021 | 22



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Chair's Message

Greg Sears,
Alberta Wheat Commission Chair

With my first year as chair of the Alberta Wheat Commission (AWC) under my belt, I am reminded of the resiliency of our farming community—both on the farm and as a commission. With what I hope was the western Canadian drought of the century and the depths of a pandemic in our rear-view mirror, Alberta's wheat farmers have come out the other side of the 2022 growing season with a solid crop and optimism and optimism for the future.

Over the past year, optimism has cascaded throughout the Alberta wheat industry with record high grain prices and the resurgence of in-person meetings and events for our membership to connect.

For the commission itself, the 2021-2022 fiscal year brought about the biggest challenge in its ten year history. Faced with bleak crop prospects and a forecasted \$4 million deficit, AWC's board of directors and management team were faced with tough decisions regarding programming and funding commitments. With full confidence in AWC management and a legacy of prudent financial management, the board directed that the organization maintain its investments in all core program areas.

The commission understood the nature of farming in Alberta and planned accordingly. Our goal was to ensure the value to our membership was bolstered by planning for the good and bad years, similar to how farmers conduct their operations.

One area I am most proud of in its resiliency is our research department. Despite the challenges researchers faced over the pandemic, including work from home orders, supply chain breakdowns for critical equipment, and the sourcing of technicians to facilitate the heavy lifting in the research program, our investments continue to flourish. And thanks to our national partnerships with the Canadian Wheat Research Coalition and Results Driven Agriculture Research, value continues to be brought to our members.

To further understand the importance of research for the commission, you only need to look at the breakdown of our operational expenses on our financial statements. Half of each dollar the commission is entrusted with is invested into research to help improve crop management, reduce input costs and environmental impact while increasing yield and grain quality.

Paired with our use of the knowledge gained from the research portfolio, our agronomy and extension program matured with *The Growing Point* newsletter and podcast, and the *Plot2Farm* program. The Alberta Wheat and Barley Commissions'

agronomy research and extension manager Jeremy Boychyn is truly bringing home the value of the work we do by communicating research-backed management practices farmers can incorporate at their farm gate.

One topic covered extensively by our extension and agronomy team during field days and in written content was 4R Nutrient Management. Our AWC team also placed priority on communicating about agronomic management practices that address the new federal government fertilizer emission reduction targets announced in 2021.

Our government relations and policy department worked diligently this summer to provide a comprehensive submission to Agriculture and Agri-Food Canada that is reflective of the concerns of our farmers. This is a critical time for agriculture as a whole to understand the impacts of these targets and opportunities for us to grow as an industry.

This fall, the Alberta Wheat and Barley Commissions were pleased to see a regulation change as part of the Canada Grain Act review that formally extends the time a farmer has to request a *Final Quality Determination* to seven calendar days. This was one of the key requests from the commissions' formal submission back in spring of 2021. Our hope is that going forward we can continue to create space for redefining the role of the Canadian Grain Commission, ensuring there are more boots on the ground where it counts for farmers.

Another key activity was advancing the amalgamation process with Alberta Barley. Following up on resolutions from our membership, an extensive and diligent consultation process was undertaken by both commissions in 2021-2022. We were able to effectively engage with our members and uphold our value as a democratic organization. This October, during month-long plebiscites, both wheat and barley memberships expressed strong support for amalgamation. Our Alberta wheat farmers have defined a clear path forward and AWC's board and management will continue with this evolution of our commissions in the months to come.

These are only some of the accomplishments that AWC led last year. Throughout this annual report, you will read more about our team's work in the various program areas. I would like to thank our staff, along with AWC's board of directors and regional representatives for another excellent year. Space I look forward to connecting with many of you at upcoming industry events this winter and I wish for you all to have a successful growing season in 2023.

Greg Sears



General Manager's Report

Tom Steve
General Manger

Alberta farmers ran the gamut of emotions in 2021-22. Coming off the worst drought in 20 years, they went into the 2022 growing season with a lot of concern about what might lie ahead.

Grain prices soared in early spring when the war broke out in Ukraine but so did input costs. Farmers seeded what was likely the most expensive crop in their careers without knowing if the drought would be repeated. And then the rains came in June and we managed to pull off an average to above average crop in most of the province.

So, it really was a rollercoaster ride for Alberta farmers in 2021-22.

While the drought of 2021 had major consequences for farmers it also had a significant impact on the commission. Alberta Wheat Commission (AWC) check-off revenues were off by 40 percent for the fiscal year in line with the decline in crop production.

But thanks to prudent fiscal management, funds held in reserve and forward planning we were able to weather the storm. The board of directors instructed management to maintain our budget at normal levels. As a result, we met all of our financial obligations, with no impact on programming or staff. You will see in the audited financial statements in this annual report that we ran a significant deficit in 2021-22. We were able to do that without putting the commission at risk, thanks to a strong financial foundation built over the past decade of AWC's existence.

For farmers, a combination of solid yields, good quality and strong prices have created a renewed sense of optimism. Commission revenues will no doubt recover this year as the Alberta wheat crop ranked in the top three in history. But persistent dryness in the province continues to be a concern.

We were pleased to receive a clear mandate from Alberta wheat and barley producers in October to proceed with amalgamation of Alberta Barley and AWC. The plebiscites were the culmination of a five-year journey that began in September of 2017 when I was appointed interim General Manager of Alberta Barley in addition to my duties as GM of AWC. In early 2018 we officially established a single management structure to operate the two commissions.

In the ensuing years a tremendous amount of work went into the amalgamation project culminating in the October plebiscites.

Now the heavy lifting is underway to add the final piece of the puzzle - a single barley and wheat commission with a renewed operating and governance model built for the future. Farmers can look forward to more dialogue and updates on the process in the coming months.

A few other highlights of 2021-22 included the continued evolution of our extension programming with the growth of the Plot2Farm program to 12 trials in collaboration with Alberta farmers.

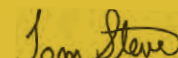
Work also progressed on the development of the next Canadian National Wheat Cluster, a five-year research partnership between the Canadian Wheat Research Coalition (CWRC) and Agriculture and Agri-Food Canada (AAFC). AWC is host commission for the CWRC which includes SaskWheat and the Manitoba Crop Alliance and I serve as President.

It was also a breakout year for the FarmCash program which grew by 36 per cent in 2022 following our expansion to other provinces. This upward trend is a huge milestone for us in helping farmers recover from the drought and grow their operations.

December 2021 marked the return of the Prairie Cereals Summit (PCS) as an in-person event following a COVID hiatus and it was a resounding success. We followed that up in December 2022 with arguably the best PCS ever!

During Calgary Stampede week we hosted federal agriculture minister Marie-Claude Bibeau at the farm of Alberta Barley vice-chair Roy Newman and a reception in collaboration with the Alberta Small Brewers Association. Later that week we hosted a policy roundtable with the minister and Alberta's four major crop commissions (wheat, barley, canola and pulse).

I would like to thank our entire team - management, staff, directors and delegates - for an outstanding year of service to Alberta wheat producers.


Tom Steve

Farmer Governance

Mission

To increase the long-term economic sustainability of Alberta wheat farmers through innovative research, market development, policy advocacy, farm business management, agronomy and extension.

Vision

To be the premier farm organization in advancing farmers' interests in the Canadian wheat industry.

Board of Directors

Region 1



Jason Saunders



Dean Hubbard

Region 2



Devin Hartzler



Justin Bell

Region 3



Jason Lenz
(Vice-Chair)



Jason Craig

Region 4



Todd Hames



Shawn Jacula
(Second Vice-Chair)

Region 5



Greg Sears
(Chair)



David Bartlett

Director at Large



David Bishop

Strategic Priorities

1. Ensuring our farmers are equipped with the most advanced genetics and up to date agronomic management strategies for their farm.
2. Strengthening grower access to key wheat markets by focusing on end use demand, open trade and an efficient value chain.
3. Supporting and delivering extension and education initiatives that provide our members with tools to improve their operations.
4. Building partnerships and advancing initiatives that will strengthen the farmer voice on policy issues at the provincial and national level.
5. Developing and delivering farm business management tools for farmers to improve their financial sustainability.
6. Ensuring that AWC will reach its full potential by providing leadership that reflects the diversity of the sector and acknowledging the clear benefits of an inclusive agriculture industry.



Regional Representatives

Region 1

Gary Stanford
Joseph Ripley

Region 2

Matt Ferguson
Kenton Ziegler

Region 3

Steward Oke
Kevin Bender
Trevor Petersen

Region 4

Greg Lumley
Jeff Porozni

Region 5

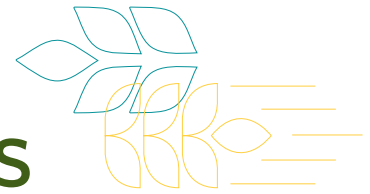
Tasha Alexander
Christi Friesen
Magnus von Rennenkampff



Amalgamation Plebiscites for the Alberta Wheat Commission and Alberta Barley

As directed by the boards and memberships of the Alberta Wheat Commission (AWC) and Alberta Barley, the two commissions conducted farmer plebiscites on formally amalgamating into one entity. The voting of the plebiscite occurred over October 2022. The development of the amalgamation file steadily progressed through a shared management structure, a comprehensive review of the potential to merge with a robust sub-committee, a dynamic farmer consultation process that engaged commission memberships, and the roll-out of two plebiscites to decide the commissions' future.

Timeline of Amalgamation Events



Prior to 2017

AWC and Alberta Barley operated independently from one another, but shared finance, human resources and office space.

September 2017

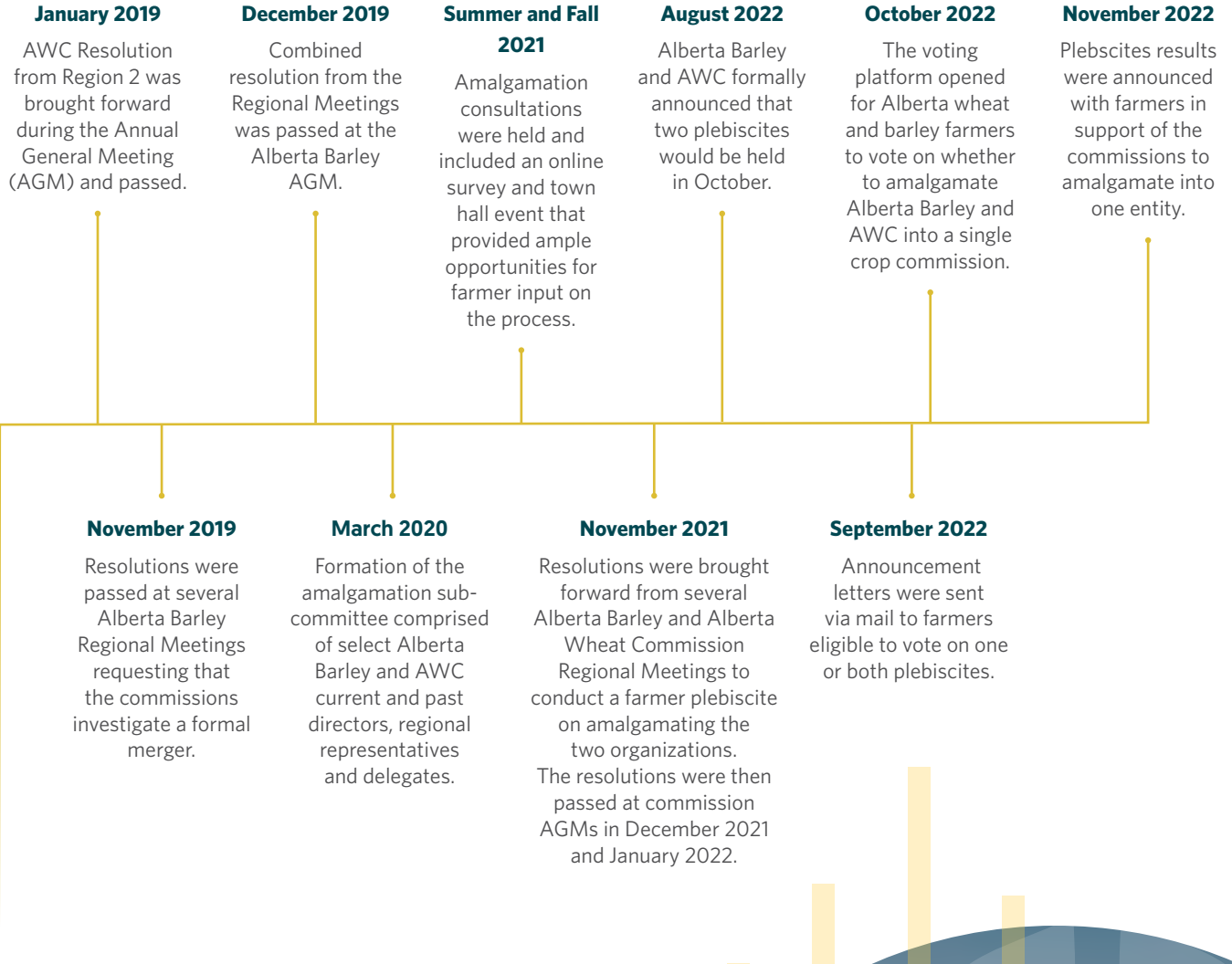
Commission boards piloted a project to explore the idea of a single management team for both commissions.

August 2018

Upon the formation of one management team, the commissions quickly saw the benefits of additional synergies including cost savings of up to **\$350,000 annually** to further invest in key areas such as agronomy extension, research and enhanced communication initiatives.

November 2018

During the AWC Region 2 Meeting, a resolution was passed by farmers requesting that the commissions complete a comprehensive review of the potential to formally merge into a single crop commission.



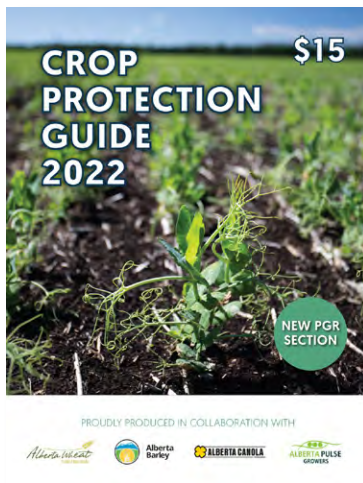
Both Alberta Barley and the Alberta Wheat Commission recognize the duplication of activities and foresee further synergies by the formation of a unified crop commission whose vision is to increase the profitability of both barley and wheat farmers. Based on our research and consultations with our sub-committee and farmers throughout the province, our hope is to provide further cost savings and benefits to our membership and provided a growing return on their investments.



To learn more about what the amalgamation process and plebiscites, visit albertawheatbarley.com/amalgamation-plebiscite.

The Blue Book

2022 marked the second year of production of Alberta's crop protection guide, or the Blue Book, as we call it in these parts. It is a project of the four major Alberta crop groups: Alberta Barley, Alberta Canola, Alberta Pulse Growers and the Alberta Wheat Commission.



The four project partners came together to partially fund this year's production of the Blue Book after the Canadian Agriculture Partnership funding that covered its first year ended in 2021. The remainder of the funds needed to cover costs related to editing, production, design and distribution came from sales.

We are pleased to announce we sold more than 9,100 copies of the printed version at a break-even price, with a free

PDF version available online for download. As part of the process, we updated our online ordering system for printed copies. The intent was to make the pre-ordering and sales process easier for farmers and other agriculture industry purchasers. The advance ordering feature was well used again this last year, with advanced orders comprising more than 50 per cent of total sales.

Additional information on plant growth regulators (PGRs) was included in the 2022 edition. PGRs are synthetic compounds that can beneficially modify plant growth and development. Long-time commission collaborator Sheri Strydhorst was tasked with writing a new section that highlighted best practices in this emerging area. It is our hope to expand this resource in the coming years.

With nearly 700 pages of content in the latest edition, the Blue Book continues to be a trusted information resource for farmers and agronomists. Selecting the right chemical treatment requires specific scientific knowledge of a farmer's cropping system and intended market. The Blue Book complements the product label to give farmers the information they need to choose the right chemistry to provide protection from pests without risking profit.

Creation of the 2023 Blue Book is now underway. Farmers can expect another useful edition packed with valuable information on new product registrations, CleanFarms pesticide container locations, and important safety information courtesy of AgSafe Alberta.

Be on the lookout for a new Twitter handle [@AlbertaBlueBook](https://twitter.com/AlbertaBlueBook) for the latest crop protection information. Mention our handle on Twitter when you receive your book and show us how you are implementing crop protection information on your farm.



Research



Formed in 2017, the Canadian Wheat Research Coalition (CWRC) is a collaboration between the three Prairie wheat producer groups — the Alberta Wheat Commission (AWC), the Saskatchewan Wheat Development Commission (Sask Wheat), and the Manitoba Crop Alliance (MCA). CWRC facilitates a collaborative approach to producer funding of regional and national research projects in variety development and agronomy, including the Canadian National Wheat Cluster and core breeding agreements with Agriculture and Agri-Food Canada (AAFC) and the western universities. Additional regional projects that align with wheat variety development and agronomic priorities are also considered for funding through CWRC.

CWRC's - Core Breeding Agreements (CBA)

The past year saw the execution of a final CBA with the University of Manitoba (2021-2026), solidifying CWRC's position as a leader in western Canadian wheat breeding. In CWRC's CBA with the University of Manitoba (UM), there are two distinct areas of work to round out the breeding and breeding collaborations in Western Canada. The first area of work focuses on Canada Western Red Winter (CWRW) germplasm development and breeding. This breeding program is now being led by Dr. Curt McCartney, the successor to recently retired, Dr. Anita Brûlé-Babel. The second major area of work covered under the UM CBA is the coordination of a *Fusarium graminearum* testing nursery to evaluate breeding lines for their genetic resistance to Fusarium head blight (FHB). This FHB testing nursery screens lines from all spring wheat breeding programs in Western Canada along with winter wheat lines from the UM and AAFC-Lethbridge.

The UM's CBA complements CWRC's existing CBAs with Crop Development Centre (2020-2024), AAFC (2020-2025), University of Alberta and the University of Sask Crop Development Centre (2021-2026).

CWRC's - Canadian National Wheat Cluster (2018-2023)

The CWRC administers the current Canadian National Wheat Cluster (Wheat Cluster), worth nearly \$25 million over five years. Activities funded through the Wheat Cluster address common issues that farmers face and will lead to improved wheat varieties and agronomic practices.

Funding for the Wheat Cluster comes from AAFC through the Canadian Agricultural Partnership's AgriScience program and ten producers and private organizations from across Canada.

The current Wheat Cluster program has four theme areas, which guide the research funded through it:

- Cultivar development to enhance competitiveness and sustainability
- Pre-breeding for future resistance to disease and insects
- Insect resistance to protect grain yield and quality
- Crop management to capture the genetic potential and minimize environmental footprint

As the final 2022 field season for the current Wheat Cluster wraps up, look for information in early 2023 about the advances made due to these research investments.

CWRC's - Canadian National Wheat Cluster (2023-2028)

CWRC has been actively preparing a new Canadian National Wheat Cluster (Wheat Cluster) which will begin in April 2023. Officially announced on August 29, 2022, the CWRC will apply to the Sustainable Canadian Agricultural Partnership (SCAP) AgriScience Program - Cluster Component.

Work on this application has been underway since 2021. CWRC has completed the following steps to date:

- i) Letters of Intent (LOIs) called for
- ii) Narrowed down LOIs and requested full proposals from researchers
- iii) Evaluated full proposals by a thorough peer review process, further evaluation by a Science Advisory Body,

- iv) Further scrutinized proposals by funding organizations

CWRC submitted a final Wheat Cluster application in late 2022.

The SCAP's AgriScience Program runs from 2023 to 2028 with three pillars to guide the research funded through it:

- Climate Change and Environment
- Economic Growth & Development
- Sector Resilience & Societal Challenges

CWRC is working within these pillars to fund research that will advance producer priorities and ensure the greatest chance for another successful cluster.



Project Funding

Between Agriculture Funding Consortium (AFC), Agriculture Development Fund (ADF), and Natural Sciences and Engineering Research Council of Canada (NSERC), 53 full proposals were evaluated. In total, 20 projects were funded for a total lifetime contribution from AWC valued at 1,260,747. The following projects have been accepted for funding this year. The amount reflected in the "AWC's Commitment" column represents the total funding over the lifetime of the project.

Agronomy Research Projects Funded			
Project Name	Research Lead	Co-funders	AWC's Contribution
Septoria nodorum blotch and related diseases: building resistance through accurate quantification	Dr. Reem Aboukhaddour	AWC, RDAR, Sask Wheat	\$247,000.00
Characterizing nanomaterial penetration in cutworms as part of next generation Smart Crop Technology (SCT) development	Dr. Justin Pahara	RDAR, Sask Wheat, AI, Alberta Canola and WGRF	\$20,640.00
Addressing the biotic and abiotic factors threatening conservation tillage in Canada	Dr. Charles Geddes	AWC, APG, Sask Wheat, WGRF	\$30,000.00
Improving chickpea, mustard and durum yield, crop health, and soil fertility with potassium chloride fertilizer	Dr. Jeff Schoenau	ADF, Sask Pulse, Sask Wheat, WGRF	\$5,750.00
Novel biocontrol agents for fungal pathogens in bread wheat (<i>Triticum aestivum</i> L.)	Dr. Andriy Bilichak	Sask Wheat, WGRF, MCA	\$26,500.00
Phenotypic screening methods and a diagnostic seed test to assess bacterial leaf streak in Canadian wheat germplasm	Dr. Randy Kutcher	ADF, Sask Wheat, WGRF, MCA	\$11,500.00
Adapting wheat to stressful environments: identifying key transpiration efficiency components reducing day-time water loss and heat stress linked to yield	Dr. Karen Tanino	AWC, Sask Wheat and MCA	\$172,500.00
			\$513,890.00

Genetic Projects Funded

Project Name	Research Lead	Co-funders	AWC's Contribution
Nested association mapping to identify stripe rust resistance QTLs and their markers in spring wheat	Dr. Harpinder Randhawa	AWC, Sask Wheat, WGRF	\$102,501.00
Genome-wide association mapping to identify quantitative trait loci associated with resistance to leaf spot diseases of spring wheat	Dr. Harpinder Randhawa	Sask Wheat, WGRF, AWC	\$298,106.00
Genetic analysis of and genomic selection models for stripe rust resistance in western Canadian winter wheat	Dr. Curt McCartney	AWC, RDAR	\$34,500.00
Molecular tools to mitigate the adverse effects of lodging in Canadian wheat	Dr. Belay Ayele	Sask Wheat, RDAR	\$100,000.00
Genetic analysis and genomic selection models for leaf rust resistance in western Canadian winter wheat	Dr. Curt McCartney	Sask Winter Cereal, WGRF, MCA	\$51,750.00
Field evaluation of next-generation solid-stemmed CWRS Wheat	Dr. Pierre Hucl	ADF, Sask Wheat, WGRF, MCA	\$11,500.00
Trait stacking to maximize resistance to the wheat midge	Dr. Pierre Hucl	ADF, Sask Wheat, WGRF, MCA	\$11,500.00
Molecular characterization of stem solidness genes from hexaploid wheat	Dr. Harpinder Randhawa	ADF, Sask Wheat, WGRF, MCA	\$11,000.00
Molecular breeding approaches to develop elite drought-tolerant Canadian wheat cultivars with high water use efficiency	Dr. Marcus Samuel	ADF, Sask Wheat, MCA	\$23,000.00
Discovery of favorable alleles to increase phosphorus and nitrogen use efficiency in wheat (<i>Triticum aestivum</i> L.)	Dr. Wendy Lyzenga	ADF, Sask Wheat, WGRF, MCA	\$34,500.00
Introgression of alien FHB resistance into adapted Canadian durum wheat	Dr. Samia Berraies	ADF, Sask Wheat, WGRF	\$11,000.00
TEN-TG : A tillingILLING and genome resource for FHB improvement	Dr. Curtis Pozniak	ADF, Sask Wheat, WGRF, MCA	\$46,000.00
			\$746,857.00

Ag Climate Solutions

AWC and Alberta Barley have partnered with Alberta Beef Producers and many others on an \$8.5 M project entitled, “Integrating beef, forage and cropping systems to improve soil C sequestration and reduce GHG emissions” running for the next five years.

This project aims to increase understanding of how beneficial management practices (BMPs) can contribute to environmental stewardship and enhance climate change resiliency, while improving productivity and profitability for producers. The desired outcome will be to develop practical systems-based approaches that work on-farm, increasing adoption of BMPs by producers.

AWC sees involvement in this project to be critical for larger acre, commercial farmers to be represented. Implementing, cost effective and logistically practical BMPs, on commercial scale farms large acres, will have significant impact on carbon sequestration and reduction of GHG emissions in Alberta. This project will be instrumental in understanding how farmers can implement research findings in real-world, on-farm settings.

Researcher Mentorship

Along with Alberta Pulse Growers and Alberta Canola we have embarked on the Research Mentorship initiative. The vision is to equip crop researchers with a deep understanding of commercial barley, canola, pulse and wheat crop production systems so that research projects and research results can be readily adopted on commercial farms. There are three components of the program:

- 1. Reverse Agronomy Update** - In a virtual meeting in spring 2022, three farmers, Jesse Meyer, D’Arcy Hilgartner and Hannah Konschuh, presented on their management practices in their operation. This meeting was attended by nearly 40 research scientists to ask questions and learn more about the nuances between each of their operations
- 2. One-on-One Mentorship**
 - Hiroshi Kubota – AAFC Lacombe – partnered with Justin Bell at Rosebud, AB
 - Haley Catton – AAFD Lethbridge – partnered with Kevin Serfas at Turin, AB
 - Linda Gorim - UofA - partnered with Wayne Schneider at Edmonton, AB
 - Scientists are on-farm for seeding, spraying, scouting and harvest during the 2022 growing season

3. Supplemental Tours

- a) Nutrien retail facility – Fort Saskatchewan, AB on June 21, 2022. This tour was a fantastic learning opportunity with great opportunity for dialogue with industry leaders. One participant indicated that “*nearly everything we learnt was new information*”. Another indicated that “*it helped we understand that even when the science says one thing why farmers would do another*” (based on the logistical complexities and timelines of fertilizer applications).
- b) Galloway Seeds – Fort Saskatchewan, AB, on August 11, 2022.

Regional Variety Trials

With Alberta Agriculture and Irrigation withdrawing financial support towards the Regional Variety Trials (RVTs) at the end of 2020, Dr. Sheri Strydhorst was hired by AWC in 2021 to coordinate the program going forward. Working with the Alberta Regional Variety Advisory Committee (ARVAC), many new protocols were implemented to improve plot and data quality. All participants are very grateful for the 2021 and 2022 financial support from Results Driven Agriculture Research and industry members to maintain this valuable trial network that provides data for the Alberta Seed Guide. A funding application has been submitted to the Agriculture Funding Consortium for financial support for 2023 and beyond. Funding decisions will be announced in late 2022 or early 2023.



Nearly everything we learnt was new information.”
- Participant



It helped us understand that even when the science says one thing why farmers would do another”
- Participant

Scholarships

AWC's research department has established a number of scholarships aimed at developing future industry leaders.

Canadian Plant Breeding Innovation Scholarships are supported by 12 sponsors including the Alberta Wheat Commission. The 2022 recipients are:

Issac Peetoom Heida

University of British Columbia

Emilee Storfie

University of Alberta

Jesse Mutcheson

University of Manitoba

Geneviève Arsenault-Labrecque

Laval University

Henry Alexander Cordoba Novoa

McGill University

Hanna Snelgrove

Lakeland College

*Alberta Wheat Commission Scholarship
in Crop Technology*

Jacey Toerper

University of Alberta

*Alberta Wheat Commission Award
in Sustainable Agriculture*

Cho Kwan Pang

University of Alberta

*Alberta Wheat Commission Award
in Sustainable Economics*

Momna Farzand

University of Alberta

*Alberta Wheat Commission Graduate
Research Scholarship in Crop Science*

David McKinnon and Katy Sopoty

Olds College

*Alberta Wheat Commission
Award- Agriculture Management*

Emma Pashulka

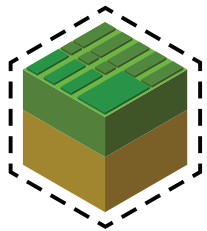
University of Lethbridge

*Alberta Wheat Commission
Agronomy Scholarship*





Agronomy and Extension



Plot2 Farm

Through Plot2Farm, Alberta farmers have access to 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 help farmers understand the impact of agronomic management decisions with greater confidence.

Jeremy Boychyn, the Alberta Wheat and Barley Commissions' agronomy research extension manager works with researchers and producers to devise a protocol for each trial. Throughout the course of the growing season, participating

farmers work with their partnered agronomist to ensure that data is collected, and all protocols are followed. The commissions then help analyze and interpret the data.

The third year for Plot2Farm saw significant growth in the number of trials, participating farmers and contract agronomists. Twelve trials were started in the spring of 2022. Out of the 12, ten of those trails reached harvest. Results from the 2022 growing season are available at [Plot2Farm.com](https://www.plot2farm.com).



Newsletter

The Growing Point agronomic e-newsletter is aimed at providing farmers with a timely and informative agronomic resource via articles, podcasts and videos. Nine separate editions of *The Growing Point* newsletter were developed and released between August 2021 through July 2022 to help keep our members informed and up to date.

Podcast

Eight episodes of *The Growing Point* Podcast were released between August 2021 through July 2022. Special guests included Dr. Jeff Schoenau, professor of Soil Science at the University of Saskatchewan, Dr. Myles Dyck professor of Soil Science at the University of Alberta, Wes Anderson, vice president of agronomy at Cromptimistic Technology and many more. Each podcast focused on different topics including the breakdown of the major pathways that nitrogen can be lost to in the environment, different soil types and how they impact land and crop management, legacy plot research trials in Alberta and several other agronomic-related topics.



The Growing Point

Agronomy Update

For the second year in a row, the Alberta Wheat and Barley Commissions took the lead on hosting the annual Agronomy Update in collaboration with 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. Since the commissions' adoption of Agronomy Update, the event has been held virtually.

This year was another great success, attracting over 600 attendees each day. Speakers covered a variety of practical topics for growers including fungicide use, soil sensors, winter wheat, fertilizer use, and more.

As part of the event, we were pleased to have agronomy research extension manager Jeremy Boychyn, and regional variety trial coordinator Sheri Strydhorst present on their areas of expertise.

In addition to the Agronomy Update event, the commissions added a supplementary educational session the day before agronomy update. The additional day focus on basic agronomy concepts. The goal of this was to provide fundamental learning opportunities for farmers as well as newly emerging agronomists. The commission's plan on implementing this opportunity in future years.



Speakers covered a variety of practical topics for growers including fungicide use, soil sensors, winter wheat, fertilizer use, and more.

Genetic by Environment by Management applied research with Applied Research Associations

This year, the Alberta Wheat Commission worked with Applied Research Associations (ARAs) to implement research trials investigating the effects of best management practices on different varieties in different growing regions.

A trial with the North Peace Applied Research Association (NPARA), Mackenzie Applied Research Association (MARA), Smoky Applied Research Demonstration Association (SARDA) and Peace Country Beef and Forage Association (PCBFA) investigated the effects of seeding rates on AAC Viewfield, AAC Brandon, and AAC Redberry.

Separately, Battle River Research Group (BRRG), Gateway Research Group (GRO) and Chinook Applied Research Association (CARA) investigated the effects of different nitrogen sources and timings on yield of spring wheat and durum varieties. Durum varieties included CDC Alloy, Transcend, Stronghold. Spring wheat varieties included AAC Brandon, AAC Wheatland, and CDC Redberry.

For results of these trials, please reach out to the ARAs directly.



As part of supporting growers, the Alberta Wheat Commission ran its annual WheatStalk event. The event provides farmers with the latest agronomic information related to regional concerns and recent agronomic research. It also provided the opportunity for farmers to speak with agronomy experts – Jeremy Boychyn and Sheri Strydorst – about issues of concern.

This year featured two separate WheatStalk events, North and South. WheatStalk South was held in the end of June at Agriculture and Agri-Food Canada (AAFC) - Lethbridge station with speakers Dr. Rob Graf, and Dr. Harwinder Sidu, AAFC, on winter wheat breeding and Adam Fast, AAFC, on 4R Nutrient Management and enhanced efficiency fertilizers.

WheatStalk North took place at the beginning of August near in conjunction with the University of Alberta (UofA) near Edmonton.

Hosting two separate events allowed us to address the varying concerns of growers in different parts of Alberta and a range of soil and climate zones. Industry experts featured on the agenda included Dean Spaner, UofA, on wheat breeding in the parklands and winter wheat in the production system with Monica Klaas, Ducks Unlimited Canada.

The events were well attended, with farmers pleased at the opportunity to reconnect with neighbours and industry members alike. At the same time, researchers were happy to engage with farmers on several fronts.

We look forward to hosting more successful WheatStalk events in 2023.





This year, the Alberta Wheat Commission worked with Applied Research Associations (ARAs) to implement research trials investigating the effects of best management practices on different varieties in different growing regions.



Markets

Canada Grain Act Review

The modernization of the Canada Grain Act proved to be another priority file for the Alberta Wheat Commission (AWC) in 2021- 2022. After many years of advocacy work on behalf of barley farmers, the commissions were proud to see changes that were advocated for begin to make their way into the regulations. One such change was the extension of the time period in which a farmer is able to dispute their grain grading result. As of September 23, 2022, farmers now have seven days to request a Final Quality Determination, previously known as “Subject to Inspector’s Grade and Dockage”.

Right to Repair

The farmer’s Right to Repair has been another priority file for AWC over the past several years that we have started to see the results on. Over the past fiscal year, we began to see proprietary software offerings from various agricultural machinery manufacturers allowing farmers to repair their own equipment without needing a costly technician. AWC continues to watch the progress of Bill C244, an important step towards regulatory change that would allow farmers to bypass digital locks for the purpose of repair. AWC will continue to advocate for legislative change to enhance and safeguard farmer rights to repair and encourages a competitive marketplace to allow access to repair tools at reasonable costs.



As of September 23, 2022, farmers now have seven days to request a Final Quality Determination, previously known as “Subject to inspector’s Grade and Dockage”.

Wheat promotion through the support of Cereals Canada's New Crop Missions

To promote international exports of Alberta-grown wheat, AWC provides financial and in-kind support to Cereals Canada, an independent industry association bringing value to the Canadian wheat supply chain. Annually, Cereals Canada promotes the new wheat crop through in-person meetings and digital sessions and webinars called New Crop Missions.

These New Crop Missions are vital to the success of international marketing efforts by promoting quality Canadian wheat, providing education on how this world-class ingredient is grown and answering questions about farming practices in Canada. Over the 2021-2022 year, eight webinars were held to promote the 2021 crop to international buyers in 38 different countries spread over five different continents. By using digital platforms for promotion, the message that Alberta wheat farmers are ready to deliver high quality, safe and clean wheat is being spread farther than ever before.



In the spring of 2022, AWC in partnership with Cereals Canada, the Saskatchewan Winter Cereals Development Commission, Manitoba Crop Alliance and Ducks Unlimited, the Habitat Friendly Winter Wheat Eco-Label initiative was launched.

The goal of the label is to create heightened consumer awareness of sustainable farming practices alongside wildlife conservation to create a heightened demand for winter wheat.

The program currently has two products available on shelves featuring the Habitat Friendly Winter Wheat Eco-Label – Northern Keep Vodka and Coyote Pancakes. AWC’s hope is to have more food manufacturers view the Habitat Friendly Winter Wheat Eco-Label as a mechanism to meet their Environmental, Social, and Governance (ESG) mandates and incorporate the label on their packaging.

To learn more about the initiative visit habitatwheat.ca.



The modernization of the Canada Grain Act proved to be another priority file for the Alberta Wheat Commission in 2021- 2022.





Annual Year in Review 2021-2022

In 2020, a new Cereals Canada was formed from the merger of two heritage brands—Cereals Canada and the Canadian International Grains Institute (CIGI). In 2021 and 2022, the focus of our new organization was on strategic development, alignment, and building a solid foundation.

With the vision of being the number one promoter of Canadian cereals, Cereals Canada has accomplished significant goals in the last year. Our reputation in the industry with our customers, government, growers, and members continue to grow, when it comes to technical expertise, market access and advocacy, and growing the Canadian brand.

Cereals Canada has four key areas:

1. Market Access and Advocacy

Focusing on market access, trade policy, and domestic regulations, Cereals Canada supports Canada's market competitiveness by conveying its priorities to the federal government.

2. Market Support and Development

Cereals Canada provides unbiased, technical support to help customers understand the quality of cereals and how to integrate Canadian cereals into in-country milling and food processing (end-product) systems. We also support the value chain by communicating the quality, consistency, and reliability of Canadian cereals to a global audience.

3. Market and Technical Research

Cereals Canada monitors the quality of cereals around the world, identifies food trends that impact customers and the use of Canadian cereals, and gathers insights from market trend analysis to help to inform and influence decisions.

4. Growing Canadian Demand

Canada's reputation for growing and supplying sustainably produced, consistent, versatile, high quality wheat, barley, and oats is known around the world. Communicating key initiatives, programs, and technology informs the value chain, government, customers, and consumers about quality cereals grown across Canada.

Together, the cereals value chain supports the work of over 52,000 Canadian farms and has a return of \$9.9 billion dollars of export revenue to the Canadian economy.

Market Support and Development

Amidst the challenges presented by COVID in 2021, the organization forged new collaborations with other value chain organizations, increased our advocacy role, and supported the new direction of the Canada Grains Act Reform, New Policy Framework, Seeds Regulatory Modernization, and Eastern Declaration.

Unable to host in-person workshops, we pivoted to include more online seminars and reached more customers and members. In 2021, Cereals Canada held 17 webinars reaching 1603 participants in 55 markets.

In 2022, we saw a return to in person programming at Cereals Canada, as we welcomed participant groups from around the world for workshops and hands-on learning at our Winnipeg headquarters. In the fall, the first in-country workshop in almost three years was held at the African Milling School in Nairobi, Kenya.

Targeting key exporting countries through virtual and in-person programming helps Cereals Canada maintain relationships and to communicate key messaging.

2022 New Crop

In November, Cereals Canada and the Canadian Grain Commission hosted two webinars to deliver the 2022 New Crop Report to customers in Europe and the Americas, and Asia and the Middle East. The webinars were well attended, with several hundred people logging in to view the presentations.

In December, a delegation from Cereals Canada, the Canadian Grain Commission, and the value chain will travel to over 15 countries to deliver information on the 2022 wheat crop at a series of seminars and individual customer/company meetings.

You can view the 2022 New Crop Report at cerealscanada.ca/2022-wheat-crop/

National Wheat Research Priorities—the Next Five Years

The 2023–2028 National Wheat Research Priorities were launched in October 2022 by Cereals Canada, in partnership with Agriculture and Agri-Food Canada (AAFC). The latest version of the report provides a sharp vision and clear targets to guide research in the Canadian wheat industry for the next five years.

The report highlights six interconnected theme areas: Improving Wheat Yield, Crop Environment Interactions, Cropping System Sustainability, Continuous Improvement in Food Safety, Customer Quality, and Wheat Nutrition, each with its own set of objectives, desired outcomes, and key targets.

Learn more at: cerealscanada.ca/national-wheat-research-priorities/

Keeping Growers Informed about MRLs Through Keep it Clean

Keep it Clean is a joint initiative of Cereals Canada, the Canola Council of Canada, and Pulse Canada which informs and empowers Canadian growers to grow market-ready crops and helps maintain domestic and export markets.

Throughout the year, growers are provided with timely updates on potential market risks or restrictions, including MRLs (Maximum Residue Limits), and information about on-farm practices that will ensure their canola, cereals, and pulse crops meet the standards of our export customers.

Canada is a leading global exporter of cereal commodities and proudly holds the position as the world's #1 exporter of durum wheat and oats. By mobilizing the value chain across priority areas, Cereals Canada is building on Canada's position as a dependable, nutritious, and sustainable supplier of high-quality cereal grains.

Growing Canadian Demand

Supporting Wheat Nutrition Knowledge

What About Wheat? is a communication campaign launched in 2022 by the Canadian Wheat Nutrition Initiative (CWNI) to bring up-to-date science- and evidence-based information to nutrition professionals and consumers. Alberta Wheat Commission is a founding member of the CWNI.

By turning research-driven health studies on Canadian wheat into digestible information bites, the campaign aims to inform dietitians, health professionals, and Canadians about the health benefits of wheat. Using social media and peer influencers and nutrition professionals, consumers are directed to the What About Wheat? website for a wealth of information on wheat, credible nutrition research, and an FAQ page.

Increasing Consumer Demand for Winter Wheat

The Habitat-Friendly Winter Wheat Ecolabel program was launched in 2022 by Cereals Canada, Ducks Unlimited Canada, Saskatchewan Wheat Development Commission, and winter wheat grower groups.

The Ecolabel highlights the ecological benefits of winter wheat to consumers, creates new marketing opportunities that increase demand for winter wheat, and benefits Canadian wildlife habitats, the environment, and the economy. Research by Ducks Unlimited shows that winter wheat provides ground cover in the spring to help reduce soil erosion and offers nesting habitat for wildlife, especially waterfowl and songbirds in Western Canada.

The Ecolabel program represents a shared value strategy, bringing together the full value chain on the advancement of market development interests with mutual benefits for producers, processors, consumers, and the environment.



**AGRICULTURAL
CLIMATE
SOLUTIONS**

#AgClimateSolutions



Policy and Government Relations



In 2021-2022, the Alberta Wheat Commission's (AWC) policy and government relations department saw an increase in advocacy outreach and in-person meetings as the commissions continued to take a non-partisan, cross-government approach to advocacy on behalf of farmers. The commissions continued to grow the department by building capacity and deepening collaborations with our provincial and national partner organizations.

Provincial Engagement Activities

Advocacy

In 2021, Nate Horner was appointed as minister of Agriculture, Forestry and Rural Economic Development. Within his first few months on the job, minister Horner engaged with the commissions and attended the January board meetings. During the same time frame Alberta's crop commissions organized meetings at the Alberta Legislature as part of the newly expanded Team Alberta Crops group.

Next Agricultural Policy Framework

Federal, provincial and territorial (FPT) negotiations on the next agricultural policy framework, which will replace the existing Canadian Agricultural Partnership (CAP) in April of 2023, was a prominent policy focus in 2021-2022. AWC participated in several consultation activities and sat as members of the Alberta Industry Government Working Group on Business Risk Management (BRM) programs. In July, the commissions were invited to participate in a ministerial roundtable on BRM's in advance of the FPT meetings. These meetings resulted in the announcement of the Sustainable

Canadian Agricultural Partnership (SCAP), the successor for CAP. Climate change and emissions reductions are at the core of all policy and program decisions coming from the federal government. The commissions continue to work to understand the program details as released in July 2022 and mitigate the risk of environmental compliance practices being tied to BRM programs.



TEAMALBERTA

Team Alberta Crops expanded this year to include a broader set of crop sector groups and the hiring of a full-time government relations and policy manager. Team Alberta Crops now represents a collaboration between Alberta Barley, Alberta Beekeepers Commission, Alberta Canola, Alberta Pulse Growers, Alberta Sugar Beet Growers, AWC, Alberta-British Columbia Seed Growers and the Potato Growers of Alberta. The commissions will continue to use this influential and effective model to amplify the voice of farmers on key policy priorities. Some of the issues that the commissions continue to tackle as Team Alberta Crops include: the Alberta K-6 curriculum input, issues related to Mandatory Entry Level Training, provincial agri-environmental issues, land-use concerns and value-added processing challenges.





Wetland Stewardship and Targeted Water Monitoring Project

In 2021, AWC saw the completion of the first year of our three-year Team Alberta water monitoring project. This capstone project is aimed at validating the health of aquatic ecosystems within crop systems. One major goal of the project is to provide real-world, western Canadian water monitoring data to the Pest Management Regulatory Agency (PMRA), to defend the safety of critical crop protection products against ongoing re-evaluations.

The project analyzes and validates the effectiveness of wetland stewardship practices in mitigating the movement of pesticides into water bodies. The first year resulted in great learnings and a robust set of data. The commissions created a valuable data storage portal that can be used to access data as needed in an orderly manner. This project has been well received by the PMRA and national groups while contributing its outcomes and data to a framework for a national water monitoring project.



Environment and climate change

Over the past year, AWC built several initiatives in response to increasing policies and pressures being put on farmers related to climate change, emission reduction and the environment. This includes leveraging funding to examine:

- Risk management strategies for adaptation and resiliency to an increase in extremes climate events in the crop sector.
- Continuing to push for the modernization of the Nitrous Oxide Emission Reduction Protocol development in Alberta.
- Building on our grain drying work provincially, to look at defining the technological requirements of grain drying to limit the impact of the carbon tax or other incoming policies.
- Working with the University of Calgary's Simpson Centre in the School of Public Policy to participate in providing farm perspectives to their research in creating the 'carbon dashboard' and exploring policy issues facing farmers.



combine TO CRAFT

Alberta born and brewed.

To further amplify our message, the government relations and policy department built a stronger partnership with the Alberta Small Brewers Association around joint advocacy across the barley to craft beer value chain. A joint event, Combine to Craft, was a farmer and brewer happy hour during the Calgary Stampede with a targeted focus on inviting government officials. The event was well attended with notable participation from Canada's Agriculture and Agri-Food Canada minister Marie-Claude Bibeau as well as several MPs, MLAs and other notable guests.



From combine to craft to the consumer, this collaboration represents the best of Alberta while giving back to our economy and our communities."

Federal Policy Engagement

Agriculture and Agri-Food Canada Minister, Marie-Claude Bibeau in Alberta

In July of this year, during the Calgary Stampede, minister Bibeau visited Alberta and the policy department worked with her staff to support several events related to engagement with crop sector farmers. On July 13, 2022, minister Bibeau visited and toured Alberta Barley's vice chair, Roy Newman's farm. She was met by close to 30 farmers and was shown some standard operations on a typical western Canadian grain farm and to demonstrate the sustainability and positive environmental outcomes of these practices.

On July 15, 2022, a Grains and Oilseed Roundtable was coordinated with minister Bibeau where a few farmer directors from the crop commissions and staff had the opportunity to engage in a robust dialogue with the minister on several critical topics related to BRM programs, the next agricultural policy framework, PMRA transformation agenda and fertilizer emission reduction targets.

Fertilizer Emission Reduction Targets

Consultations related to the proposed targets of 30 per cent reductions from emissions of fertilizer by 2030 began in the spring of 2022. This has been an ongoing and central focus of AWC's government relations and policy department. Throughout the summer, the policy and agronomy teams of the commissions worked tirelessly together toward providing a comprehensive submission to Agriculture and Agri-Food Canada to reflect the concerns we heard from farmers. Our submission highlighted its potential to devastate growth in the agricultural sector and how in practice this change will be measured, and prior management practices will be recognized. The commissions have engaged in numerous consultations as well as worked to seek alignment amongst our provincial and national partners.



Pest Management Regulatory Agency

AWC's government relations and policy team participated in consultations as part of Pest Management Regulatory Agency (PMRA) announced transformation agenda.

The transformation agenda was announced in August of 2021 alongside intentions to pause increases to the Maximum Residue Limits on all pesticides, including glyphosate. Review of the PMRA and its transformation has spurred major concerns with the continued integrity and scientific basis of our regulatory system. Our commissions have been very active in urging the need to continue to maintain a purely scientific approach to regulatory decisions and ensure that these processes are free from political or public intervention and have worked closely with partners like the Canada Grain Council on advancing these concerns.

Grain Growers of Canada

This year, Grain Growers of Canada (GGC) held a successful National Grains Week in person in the nation's capital with participation from AWC.

AWC's government relations and policy department lead sit on both the GGC Sustainability committee and the GGC Business Risk Management committee. Throughout 2021 the Sustainability committee has been active in developing the 'Road to 2050' initiative which the commissions have supported. The goal of the project is to create a framework to identify targeted recommendations and requirements for the Canadian crop sector toward emission reductions by 2050. The initiative is targeted toward ongoing advocacy with the federal government around aggressive climate change policies that are targeting the crop sector.

Other files that the commissions have been engaged on through GGC include input to the next agricultural policy framework, advocacy for the passing of Bill C-234 aimed at exempting farm fuels from the carbon pricing system, as well as joint advocacy on the fertilizer emission reduction targets.





A Message From the



Erin Gowriluk
Executive Director

It has been another busy year for Canadian Agriculture. There has been a lot of talk surrounding emissions, environmental impacts and the future of Canadian agriculture. With the threat of global food insecurity looming, it's understandable that concerns have grown around the federal government's approach to agricultural policy. However, we see signs for optimism ahead.

This summer's Sustainable Canadian Agricultural Partnership (SCAP) agreement between federal, provincial and territorial Ministers of Agriculture signalled a step in the right direction toward achieving a balanced approach to economic and environmental objectives in agriculture. Sustainability remains the number one priority for Agriculture and Agri-Food Canada (AAFC). So, what does this mean? It means that we need to find solutions that foster positive strategic engagement between the government and Canadian farmers.

As a global leader in food production, Canada's emission target must not impede food security. Through the development of our 'Road to 2050' climate solution initiative, we are committed to bringing farmers to the table to achieve a practical path to net-zero emissions. We are focused on leveraging Canadian grain farmers' leadership as environmental stewards to capitalize on opportunities that expand on-farm sustainability.

The 'Road to 2050' intends to guide government policies and programming directed at Canada's grain sector, ensuring support for farmers in their efforts to reduce emissions. René Drolet Consulting Services will spearhead the 'Road to 2050' initiative. René and his team have an impressive policy and program development background and are well-versed in the issues facing industry associations. The initiative is guided by an expert advisory council led by farmers, industry partners and academia from across Canada.

Canadian agriculture is complex and diverse; there is no one-size-fits-all solution to reducing GHG emissions on farms. The 'Road to 2050' represents the coalescence of farmers and industry partners around sustainability. Our partnerships with farmers, organizations and industry across Canada reflect the unique needs and opportunities we must seize upon to build feasible and effective pathways that safeguard productivity while reducing our carbon footprint.

We are all on this road to 2050 together. We look forward to having farmers, consumers, organizations and industries from across the country join us on this sustainability initiative. We will be releasing our roadmap in early 2023.



As a global leader in food production, Canada's emission target must not impede food security."



Communications and Events

Annual General Meeting

The Alberta Wheat Commission (AWC) held its Annual General Meeting (AGM) on January 26, 2022, online and in-person in Edmonton, Alberta. The AGM was chaired by chair Todd Hames. Alberta Wheat and Barley Commissions' general manager Tom Steve provided commission updates and concluded with financial updates from MNP, auditor for AWC. Prior to the AGM, minister of Agriculture and Rural Economic Development, Nate Horner delivered a special presentation for crop farmers.



The fourth annual Prairie Cereals Summit (PCS) was held over December 8 and 9, 2021, at the Fairmont Banff Springs hotel in Banff, Alberta. Over 200 farmers and industry members attended the sold-out summit and engaged with speaker sessions from agriculture leaders. Highlights from the event included the Alberta Wheat and Barley Commissions general manager Tom Steve's fireside chat with with professor in food distribution and policy at Dalhousie University, Dr. Sylvain Charlebois on food inflation, and sports announcer, journalist and author Harnarayan Singh who joined on the banquet evening. The Alberta Wheat and Barley Commissions would like to thank returning platinum sponsors, ATB Financial and Canada Malting for their contributions that made the fourth annual Summit a roaring success. Find more information on PCS visit albertawheatbarley.com.





Kids Education

The Alberta Wheat and Barley Commission was thrilled to bring Wally and Betty's Grain Gallery back in full capacity to youth events at the Calgary Stampede and Aggie Days. Throughout the 11 days of the Calgary Stampede, the augmented-reality mobile application garnered 65,000 plays including downloads. The application that walks youth through the farm-to-fork experience proved to be a huge hit with grades three to six. On family day at the Stampede, the game amassed over 14,000 plays! During Aggie Days from April 6 to 10, 2022, the application rounded up over 18,000 plays! The Alberta Wheat and Barley Commissions look forward to bringing Wally and Betty's Grain Gallery back to the Calgary Stampede and Aggie Days in 2023.



In early 2022, the FarmTech Foundation of Alberta, a working collaboration by four of Alberta's crop commissions—Alberta Barley, Alberta Canola, Alberta Pulse Growers, and AWC, kicked off the development of a brand-new industry conference now called CrossRoads - Alberta's Crop Conference. Following a longstanding history of successful events under FarmTech's legacy, CrossRoads is proud to take its place on January 24 to 25, 2023, as the premier agriculture conference in Western Canada. For more information visit CrossRoadsCropConference.ca.

Social Media Expansion

In July 2022, the Alberta Wheat and Barley Commissions expanded their social media platforms beyond the Twitterverse and YouTube community to include Facebook and LinkedIn. Farmer awareness is a top priority and crucial investment for the commissions. Farmers and industry can follow along on with the commissions at [@AlbertaWheat](https://twitter.com/AlbertaWheat) and [@AlbertaBarley](https://twitter.com/AlbertaBarley) on Twitter and the Alberta Wheat and Barley Commissions on Facebook, LinkedIn and YouTube.



[@AlbertaWheatBarley](https://www.facebook.com/AlbertaWheatBarley)



The Grain Exchange Turns a New Page

In the fall of 2021, the Alberta Wheat and Barley Commissions revamped the commissions' flagship publication The Grain Exchange based on producer feedback. The Quarterly print edition was reformatted to a magazine style booklet while the online version made individual articles more accessible and mobile friendly. The commissions also launched The Grain Exchange - Latest News, an as-it-happens, online exclusive publication for updates on time sensitive files such as those in the policy realm. Readers can check out both the Quarterly and the Latest News publications online at albertawheatbarley.com under the media tab.

GrainsWest



Keeps Cereal Farmers Informed



The four issues of *GrainsWest* published during the past fiscal year explored a wide array of emerging agricultural issues.

Our editorial content covered hot topics including the ongoing surge in fertilizer cost, the potential fit for cover crops in Alberta rotations and the rise of cyber security threats aimed at the agriculture sector. The magazine offered readers a great deal of depth and breadth with two theme issues and multiple extended deep dives.

The third annual special “Ag Tech” issue included a cover story on bin yard upgrades, as well as the first two instalments of a three-part series on agricultural carbon issues. Peace Country farmers and the region’s applied research facilities were the focus of an extensive set of profiles in the Fall 2021 issue. A three-part feature in the Winter 2022 issue assessed the fallout from the previous year’s drought and resulting poor harvest. In the spring, we published “*The Water Issue*”. In this one-off theme issue, we undertook an even broader examination of moisture related topics; including water modelling and management, irrigation modernization and wetland stewardship.

Adding depth to a print story on ag supply chain disruption caused by COVID-19, *GrainsWest* published an accompanying episode of *The GrainsWest Podcast*. - “Chained Down”. The episode explored the impact of these complications at the farm level. Another podcast episode highlight profiled a start-up business built by an ambitious young entrepreneur and farm advocate.

AGRO Systems rescues unused spent grains from Alberta’s craft brewing sector to produce cheap, high-quality livestock feed.

To further extend the magazine’s reach, *GrainsWest* published an online-only story each month. This appears on the *GrainsWest* website and is featured as the cover story of that month’s newsletter. Recent stories have included an interview with the Honourable Marie-Claude Bibeau, federal minister of Agriculture and Agri-Food Canada, about the new Sustainable Canadian Agricultural Partnership. Additionally, *GrainsWest* interviewed former provincial minister of Transportation, Ric McIver, about Class 1 license programming for grain truck drivers. Also used to push readers to stories on the *GrainsWest* website, *GrainsWest*’s Twitter recently surpassed 3,000 followers.

The magazine continues to provide space in the form of regular columns for organizational partners funded by the Alberta Wheat and Barley Commissions. These include the Canadian Malting Barley Technical Centre (CMBTC), Grain Growers of Canada and Cereals Canada.

GrainsWest
CONNECTING FARMERS, FOOD AND IDEAS



FARMCASH
Cash Advance Program



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada

**Advance Payments
Program**

**Programme de
paiements anticipés**

Changes to the Advance Payments Program

This fiscal year was the most opportune year yet for producers to take advantage of a cash advance through the Advance Payments Program. In 2020, the Government of Canada announced two major changes for western Canadian agricultural producers experiencing cash flow difficulties in the wake of record-high input prices and the 2021 drought conditions. The first change allowed for quicker access to funds with producers being able to access their entire advance upfront with no holdback. The second was an increase to the interest free limit from \$100,000 to \$250,000, a significant increase to farmer's purchasing power in the wake of rising interest rates.

A Streamlined Application

As a grassroots administrator of the program, it is a priority for FarmCash to continually gather feedback and identify opportunities to better service western Canadian producers. In the last year, FarmCash worked to streamline the application length and developed a time-saving feature requested by farmers - the ability to auto-populate information from previous years' applications. These changes have made it easier than ever to apply and are just one of the ways FarmCash prioritizes producer experience.

An Upward Growth Trend

Now in its fourth year, FarmCash continues to grow alongside Advance Payments Program administrators in Western Canada. One year following the expansion of the program beyond Alberta to British Columbia, Saskatchewan and Manitoba in the spring of 2021, the program uptake grew by a staggering 36 per cent. Following one of the most challenging crop years in recent history, FarmCash was there to help farmers bounce back, and even higher than ever before despite the risen cost of inputs. FarmCash's focus is defined on helping producers grow their operations and improve their long-term profitability.

For more information on FarmCash visit FarmCashAdvance.com.



**Advances
of up to \$1M**



**Access to
funds in 3-5
business days**



**\$250,000
interest-free**



Governance and Human Resources Update



Diversity and Inclusion

One of the current strategic priorities for the Alberta Wheat Commission (AWC) is its dedication to diversity and inclusion which is evident through our diverse workforce. Our hiring practices are merit-based and provide an inclusive culture where everyone feels valued, heard, involved, developed and empowered. Both the AWC and Alberta Barley's diverse and skilled employees share a common passion for agriculture and continue to provide a profound return for farmers through our departments of policy and government relations, markets, research and agronomy, and communications and events.

53%

of our total
workforce
are women

47%

of our total
workforce come
from diverse
backgrounds

100%

of our total
workforce are
passionate about
agriculture

Amalgamation

In fiscal year 2021-22 it was a priority for AWC to prepare farmers to vote on the amalgamation plebiscites. The commissions were dedicated to providing farmers with transparent and fulsome information to be able to make informed decisions on the amalgamation plebiscites in fall 2022. Building on the success of a single management team that has been in place since 2017, the commissions are committed to developing an enhanced governance and financial structure that will create further efficiencies and strengthen the voice of wheat and barley farmers.

Weathering the 2021 Drought

The 2021 crop year proved to be one of the most challenging of recent years for Alberta farmers. We heard the devastation from our farmer members of the effects of the worst drought on the Prairies over the last 20 years. While our departments of agronomy and extension, research, markets and policy worked with great dedication to mitigate the trickle-down implications for producer farms, the commission's governance paved the way for business as usual thanks to surplus planning that had been developed back in 2018. Despite experiencing a 34 per cent decrease in equity following the 2021 crop year, the AWC was able to progress all major programs and at nearly full operating capacity. Performance with diligence and creation of value is and always has been about the way how the commissions invest farmers' dollars.

Your Check-Off Value Proposition

The AWC operates with due diligence and full transparency in all investments for farmers. Risk management protocols are in place to mitigate any unforeseen challenges that could otherwise jeopardize farmer investments and return. It is a top priority for commission investments to closely align with the current five-year operating plan. The AWC governance team, including farmer members that engage and advise in commissions activities through our board of directors, ensure that each dollar invested is cost justified and results in the highest possible efficiency and return on investment.

Financials



ESTABLISHED
— 2012 —

Management's Responsibility

To the Members of Alberta Wheat 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 and external auditors. 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.



Tom Steve, General Manager

Independent Auditors' Report

To the Members of Alberta Wheat Commission:

Qualified Opinion

We have audited the financial statements of Alberta Wheat Commission (the "Commission"), which comprise the statement of financial position as at July 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2022, and its financial performance 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 wheat 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.

MNP LLP

Chartered Professional Accountants
November 9, 2022
Calgary, Alberta

Statement of Financial Position

As at July 31, 2022

	Operating		FarmCash Advance Payments Program		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current						
Cash	2,103,779	5,039,341	–	–	2,103,779	5,039,341
Restricted cash (Note 5), (Note 8)	2,201,210	4,057,764	7,876,415	–	10,077,625	4,057,764
Accounts receivable (Note 3)	822,452	1,061,004	–	–	822,452	1,061,004
Short-term investments (Note 4)	77,121	–	–	–	77,121	–
Prepaid expenses and deposits	107,612	22,628	–	–	107,612	22,628
Current portion of advances receivable under FarmCash Advance Payment Program (Note 7)	–	–	10,498,374	10,236,290	10,498,374	10,236,290
	5,312,174	10,180,737	18,374,789	10,236,290	23,686,963	20,417,027
Long-term investments (Note 4)	2,127,438	152,200	–	–	2,127,438	152,200
Restricted investments (Note 5)	4,000,000	6,000,000	–	–	4,000,000	6,000,000
Advances receivable under FarmCash Advance Payment Program (Note 7)	–	–	47,936,695	27,344,152	47,936,695	27,344,152
Capital assets (Note 6)	121,028	110,616	85,987	135,196	207,015	245,812
Deposits	23,666	23,666	–	–	23,666	23,666
	11,584,306	16,467,219	66,397,471	37,715,638	77,981,777	54,182,857
Liabilities						
Current						
Accounts payable and accruals	1,574,930	2,239,929	62,014	22,386	1,636,944	2,262,315
Deferred contributions (Note 8)	701,210	557,764	–	–	701,210	557,764
FarmCash Advance Payments Program bank indebtedness (Note 7)	–	–	65,700,000	37,286,983	65,700,000	37,286,983
	2,276,140	2,797,693	65,762,014	37,309,369	68,038,154	40,107,062
Commitments (Note 11)						
Subsequent event (Note 13)						
Net Assets						
Internally restricted (Note 5)	5,500,000	9,500,000	–	–	5,500,000	9,500,000
Unrestricted	3,808,166	4,169,526	635,457	406,269	4,443,623	4,575,795
	9,308,166	13,669,526	635,457	406,269	9,943,623	14,075,795
	11,584,306	16,467,219	66,397,471	37,715,638	77,981,777	54,182,857

Approved on behalf of the Board



Greg Sears, Chair



Jason Lenz, Vice-Chair

Statement of Operations

For the year ended July 31, 2022

	Operating		FarmCash Advance Payments Program		Total	
	2022	2021	2022	2021	2022	2021
Revenue						
Check-off fee revenue (Note 9)	5,909,216	10,486,223	–	–	5,909,216	10,486,223
Check-off fee refunds	(356,533)	(760,860)	–	–	(356,533)	(760,860)
Results Driven Agriculture grant (Note 8)	673,753	145,453	–	–	673,753	145,453
FarmCash Advance Payments Program	–	–	544,554	302,835	544,554	302,835
Alberta Crop Protection Guide revenue (Note 8)	152,138	181,233	–	–	152,138	181,233
Grain Conditioning revenue (Note 8)	84,165	5,804	–	–	84,165	5,804
GrainsWest revenue	49,911	55,283	–	–	49,911	55,283
Prairie Cereals Summit Sponsorship revenue	31,139	3,375	–	–	31,139	3,375
Agronomy Update revenue	11,412	–	–	–	11,412	–
Regional Variety Trails revenue	–	73,285	–	–	–	73,285
	6,555,201	10,189,796	544,554	302,835	7,099,755	10,492,631
Expenses						
Research expense	5,076,872	5,297,369	–	–	5,076,872	5,297,369
Communication and events	1,035,225	784,700	–	–	1,035,225	784,700
FarmCash Advance Payments Program	–	–	935,544	650,259	935,544	650,259
Cereals Canada funding contribution/CIGI funding contribution (Note 10)	717,384	644,494	–	–	717,384	644,494
Results Driven Agriculture expenses (Note 8)	673,753	145,453	–	–	673,753	145,453
Salary and benefits	611,459	535,392	–	–	611,459	535,392
Policy	473,008	351,498	–	–	473,008	351,498
Grower relations and extension	436,421	411,542	–	–	436,421	411,542
Market development	327,480	296,840	–	–	327,480	296,840
Internal and industry meetings	245,620	166,062	–	–	245,620	166,062
GrainsWest expenses	179,532	184,788	–	–	179,532	184,788
General and administrative expenses	178,320	152,422	–	–	178,320	152,422
Alberta Crop Protection Guide expenses (Note 8)	175,788	181,233	–	–	175,788	181,233
Rent	110,628	108,009	–	–	110,628	108,009
IT expense	78,486	65,848	–	–	78,486	65,848
Amortization	29,061	25,653	49,208	48,641	78,269	74,294
Professional fees	36,797	30,011	–	–	36,797	30,011
Advancing Ag Mentorship Program	–	74,993	–	–	–	74,993
Regional Variety Trails expenses	7,591	111,504	–	–	7,591	111,504
	10,393,425	9,567,811	984,752	698,900	11,378,177	10,266,711
(Deficiency) excess of revenue over expenses before other items	(3,838,224)	621,985	(440,198)	(396,065)	(4,278,422)	225,920
Other items						
Unrealized gain on investments	29,849	95,562	–	–	29,849	95,562
Interest income	89,812	73,165	–	–	89,812	73,165
Other revenue	26,589	47,060	–	–	26,589	47,060
	146,250	215,787	–	–	146,250	215,787
(Deficiency) excess of revenue over expenses	(3,691,974)	837,772	(440,198)	(396,065)	(4,132,172)	441,707

Statement of Change in Net Assets

For the year ended July 31, 2022

	Operating	FarmCash Advance Payments Program	Restricted	2022	2021
Net assets, beginning of year	4,169,526	406,269	9,500,000	14,075,795	13,634,088
Excess (deficiency) of revenue over expenses	(3,691,974)	(440,198)	–	(4,132,172)	441,707
Transfer (Note 5)	3,330,614	669,386	(4,000,000)	–	–
Net assets, end of year	3,808,166	635,457	5,500,000	9,943,623	14,075,795

Statement of Cash Flows

For the year ended July 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	(4,132,172)	441,707
Amortization	78,269	74,294
Unrealized gain on investments	(29,849)	(95,562)
Gain on disposal of assets	(3,532)	–
	(4,087,284)	420,439
Changes in working capital accounts		
Accounts receivable	238,552	514,774
Prepaid expenses and deposits	(84,984)	80,133
Accounts payable and accruals	(625,371)	941,860
Deferred contributions	143,446	513,375
	(4,415,641)	2,470,581
Financing		
FarmCash Advance Payments Program bank indebtedness, net	28,413,017	11,772,674
Investing		
Purchase of capital assets	(39,740)	(35,238)
Proceeds from sale of capital assets	3,800	–
Purchase of investments	(1,605,579)	(569,675)
Proceeds from sale of investments	1,583,069	557,182
FarmCash Advance Payments Program receivable, net	(20,854,627)	(11,998,999)
	(20,913,077)	(12,046,730)
Increase in cash	3,084,299	2,196,525
Cash, beginning of year	9,097,105	6,900,580
Cash, end of year	12,181,404	9,097,105
Cash is comprised of:		
Unrestricted cash	2,103,779	5,039,341
Restricted cash	10,077,625	4,057,764
	12,181,404	9,097,105

Notes to the Financial Statements

For the year ended July 31, 2022

1. Incorporation and nature of the organization

The Alberta Wheat Commission (the "Commission") was incorporated effective August 1, 2012 under the authority of the Province of Alberta Marketing of *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 wheat producers an organization for developing new markets and products for wheat and for influencing the direction of research dedicated to wheat 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:

Basis of presentation

The Commission reports its financial statements using two funds: the Operating Fund and the FarmCash Advance Payments Program Fund. The Operating Fund contains all assets, liabilities, revenue and expenses of the regular operations of the Commission. The FarmCash Advance Payments Program Fund contains all assets, liabilities, revenue and expenses of the FarmCash Advance Payments Program as defined in Note 7.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

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. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Externally restricted capital contributions are recognized as revenue as the related asset is amortized. Donations and contributions in kind are recorded at fair value when such value can reasonably be determined.

Portfolio investments

Investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Marketable securities with prices quoted in an active market include guaranteed investment certificates ("GICs"), mutual funds and corporate bonds.

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

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 assets over their estimated useful lives.

	Method	Rate
Automotive	declining balance	30 %
Computer equipment	declining balance	20 %
Computer software	straight-line	5 years
Furniture and fixtures	declining balance	20 %
Booth development	straight-line	5 years
Promotional equipment	declining balance	33 %
FarmCash Advance Payments	straight-line	5 years
Program website development		

Financial instruments

The Commission recognizes financial instruments when the Commission becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

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

The Commission subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

The Commission initially measures financial instruments originated/acquired or issued/assumed in a related party transaction at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

Financial instruments that were initially measured at cost are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenue over expenses.

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

Financial asset impairment

The Commission assesses impairment of all its financial assets measured at cost or amortized cost. The Commission groups assets for impairment testing when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Commission determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Commission reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the balance sheet date; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

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. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

Advances receivable under the FarmCash Advances Payments Program

Advances receivable under the FarmCash Advance Payments Program are initially recorded at fair value and subsequently measured at their amortized cost less impairment. Amortized cost is calculated as the principal amount advanced, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis using the straight-line method.

Any allowance for impairment is established as a result of reviews of individual advances made.

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.

As of the date of the financial statements, the measures taken to contain the spread of COVID-19 continue to impact the jurisdictions in which the Commission operates. All of the Commission's services continue to function with the implementation of enhanced health related safeguards. Management continues to assess the impact of COVID-19 and governments' responses to it on the Commission. Portions of the financial results incorporate estimates from management that are subject to increased uncertainty due to market disruptions caused by the COVID-19 pandemic. The amounts recorded in these financial statements are based on the latest reliable information available to management at the time the financial statements were prepared where that information reflects conditions as at the date of the financial statements. However, there is inherent uncertainty about these assumptions and estimates which could result in outcomes that require adjustments to the carrying amounts of the affected assets or liabilities in the future.

By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements from changes in such estimates in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

3. Accounts receivable

	2022	2021
Check-off fees receivable	394,435	659,142
Other receivables	152,489	174,881
Alberta Barley Commission	275,528	226,981
	822,452	1,061,004

Alberta Barley Commission is related to the Commission by virtue of common management. All transactions between the two parties are measured at exchange amount and bear standard commercial terms of payment. At July 31, 2022 the Commission also had various payable balances included in accounts payable and accruals to Alberta Barley Commission, resulting in a net receivable of \$209,804 [2021 – \$96,147].

4. Investments

Investments, which include GICs and mutual funds, are reported on and have maturity dates between August 17, 2022 and January 5, 2026 [2021 – August 24, 2021 and January 5, 2026] and bear interest at annual rates between 1.10% and 2.70% [2021 – 1.10% and 2.70%]. Investments are stated at their market value. It is the intention of the Board to hold all investments until maturity. Management's intentions are to hold these investment amounts for future operations, therefore this amount has been classified as long-term.

5. Internally restricted cash and investments

Restricted investments include GICs, mutual funds and corporate bonds with yields to maturity between 1.10% and 2.70% [2021 – 1.10% and 2.70%] with maturity dates between August 17, 2022 and January 5, 2026 [2021 – August 24, 2021 and January 5, 2026]. Restricted investments are stated at their market value. It is the intention of the Board to hold all restricted investments until maturity. The Board of Directors has internally restricted, from the operating fund, \$3,000,000 [2021 – \$5,000,000] of investments and cash as a reserve for future research, \$1,500,000 [2021 – \$3,500,000] as a reserve for operating contingencies and \$1,000,000 [2021 – \$1,000,000] as a reserve for shut-down. These funds cannot be accessed without the approval of the Board of Directors. Management's intentions are to hold these restricted investment amounts for future research and contingencies reserves therefore this amount has been classified as long-term. Interest and gains on these investments are unrestricted and included in the unrestricted investment balance.

6. Capital assets

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Automotive	–	–	–	357
Computer equipment	205,826	130,456	75,370	71,907
Computer software	18,203	2,163	16,040	–
Furniture and fixtures	110,441	92,596	17,845	20,781
Booth development	28,292	16,846	11,446	17,104
Promotional equipment	9,699	9,372	327	467
FarmCash Advance Payments Program website development	246,040	160,053	85,987	135,196
	618,501	411,486	207,015	245,812

7. FarmCash Advance Payments Program

The Commission has entered into a Tripartite Agreement (the “Agreement”) with His Majesty the King in Right of Canada, as represented by the Minister of Agriculture and Agri-Food, and a Canadian Chartered Bank (the “Lender”) to become an administrator in the Advance Payments Program (the “Program”) under the Agriculture Marketing Programs Act (the “Act”). Under the terms of the Program, the Commission is authorized to issue advances to producers who meet eligibility criteria. In order to facilitate the Program, the Commission has entered into Loan Agreements with the Lender. The Commission may only use funds advanced by the Lender for the purposes outlined in the Agreement and is responsible for any costs, including interest and penalties, related to failing to comply with this stipulation.

Amounts lent by the Commission are not to exceed \$65,000,000 for the 2021 program year, and \$75,000,000 for the 2022 program year. As at July 31, 2022, the Commission had received \$70,179,186 of applications and \$58,435,069 was issued, not exceeding the amount approved by its financial instruction, as \$11,744,117 of applicants did not meet the Program requirements. Pursuant to the Act, the Minister guarantees to the Lender all principal lent by the Administrator as well as interest calculated at a specified interest rate. The Minister is also responsible, at the request of the Commission, for the costs incurred by the Commission to recover principal and interest owed by a producer in default, so long as the Commission is in compliance with the terms of the Agreement.

FarmCash Advances charge interest at rates based on prime with maturities ranging from one to twenty-four months. The receivables are guaranteed by the Federal Government. No allowance for loan impairment has been provided at July 31, 2022.

To finance the arrangement, the Commission has a series of operating lines of credit and banker’s acceptances available, both of which bear interest at market based interest rates. At year-end, the maximum credit limit of the lines of credit available was \$65,900,000, of which \$nil was drawn. Banker’s acceptances of \$65,700,000 with a repayment period August 3 - 24, 2022 were also drawn. In the prior year banker’s acceptances of \$36,200,000 were repaid during the current year.

8. Deferred revenue

Changes in the deferred contribution balance are as follows:

	2022	2021
Balance, beginning of year	557,764	44,389
Amount received during the year	1,053,502	884,449
Less: Amounts recognized as revenue during the year	(910,056)	(371,074)
	701,210	557,764

The ending balance of \$701,210, is restricted cash specifically used for the following programs.

Results Driven Agriculture Research (“RDAR”): In the prior year, the Commission entered into agreements with RDAR, a not-for-profit corporation with the mandate to deliver producer led, results driven agriculture research funding to increase the competitiveness and profitability of Alberta’s agriculture industry. RDAR provides funding to enable research initiatives complementary to RDAR’s priorities. Proceeds from RDAR will be used to fund several projects at the Commission: Promotion of Wetland Stewardship Best Management Practices Through a Targeted Water Monitoring Project; Alberta’s Regional Variety Trials for Wheat, Barley, Rye, Triticale, Oats and Flax; and Virtual, Visual, Videos of Agronomic Practices.

For the year ended July 31, 2022, the Commission received \$699,500 [2021 – \$601,625] from RDAR and recognized \$673,753 [2021 – \$145,453] as revenue. As the funds received by the Commission were solely for RDAR projects, 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.

8. Deferred revenue *(continued from previous page)*

Grain Conditioning Program: For the year ended July 31, 2022, the Commission received \$136,640 [2021 – \$nil] from the Government of Alberta and recognized \$84,165 [2021 – \$5,804] as revenue. 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 was made, the corresponding amount was recognized as revenue in the same year in which the expense was made. The final disbursement of \$136,640 was received prior to year-end with unused funds deferred to the subsequent period. The program will be completed in 2023.

Alberta Crop Protection Guide (“Blue Book”): In the prior year, the Commission entered into an agreement with the Minister of Agriculture and Forestry of Alberta [the “Minister”] for grant funding in the amount of \$110,250. The grant is to assist with the production, publication, and distribution of the Blue Book. The Commission leads the project and works collaboratively with other parties to publish the Blue Book. The Commission acknowledges that the grant may not be sufficient to cover the costs of the entire project and that the Commission shall be solely responsible for raising funds from other sources to complete the project. During the year, the terms of the grant expired, and the Commission realized the entirety of the eligible funding of the agreement.

As of July 31, 2022, the Commission intends to continue with the facilitation of the Blue Book project. To substitute the original funding agreement with the Minister, the Commission has entered into a Memorandum of Understanding with Alberta Barley Commission, Alberta Canola Producers Commission and Alberta Pulse Growers Commission to provide financial contributions for Blue Book. The Commission’s contribution to the project is \$55,000.

For the year ended July 31, 2022, the Commission received additional proceeds from the Minister of \$11,025 [2021 \$99,225] and from other sources of \$206,338 [2021 – \$183,600] and incurred \$175,788 [2021 – \$181,233] of expenses. The Commission recognized \$152,138 [2021 – \$181,233] as revenue. As the funds received by the Commission were solely for the Blue Book 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.

9. Check-off fee revenue

With the end of Western Canadian Deduction [“WCD”], effective August 1, 2017, the Commission has moved to a single wheat check-off of \$1.09. Prior to that it was \$0.70 per tonne and the WCD was \$0.48 per tonne.

The motion to move to a single check-off of \$1.09 per tonne was passed at the Commission’s AGM in February 2017 and has received approval from the Government of Alberta.

The WCD was established as a transitional levy by the Government of Canada to ensure continued support for the development of new wheat varieties and marketing initiatives previously administered by the Canadian Wheat Board.

10. Cereals Canada funding contribution/CIGI funding contribution

The wheat commissions in Alberta, Saskatchewan and Manitoba assumed the responsibilities and financial obligations of the WCD.

A portion of the WCD provided core funding to the Canadian International Grains Institute [“CIGI”], which provides market support, training and technical services to the Canadian wheat value chain.

In an ongoing effort to strengthen market opportunities for Canadian wheat, the provincial wheat commissions mutually agreed and committed to continue to provide core funding to CIGI.

In the prior year, CIGI and Cereals Canada merged into one national organization. The consolidated organization now operates under one name - Cereal Canada Inc.

For the year ended July 31, 2022, the Commission’s contribution to the commitment was \$717,384 [2021 – \$644,494].

11. 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 Barley Commission which is responsible for one half of the below payments.

2022	130,354
2023	130,354
2024	130,354
2025	130,354
2026	10,863
	<hr/>
	401,925

12. 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. Risks associated with FarmCash Advance Payments Program are disclosed in Note 7.

The Commission is indirectly exposed to market risk due to fluctuations in the investments' prices. These fluctuations could have an impact on cash flows of the Commission.

Credit risk

The Commission acts as the administrator in the Advance Payments Program. Credit risk associated with this the program is discussed in Note 7.

13. Subsequent event

Subsequent to year-end, the Commission will undertake a plebiscite in which voting members will be asked if they approve of the amalgamation of the Alberta Wheat Commission with the Alberta Barley Commission. The Alberta Barley Commission is undertaking a similar plebiscite. If the amalgamation is approved by both Commissions and necessary regulatory changes are made to facilitate the amalgamation, there will be a material impact on the subsequent operations and organizational structure of the Commission.








Alberta Wheat
COMMISSION

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