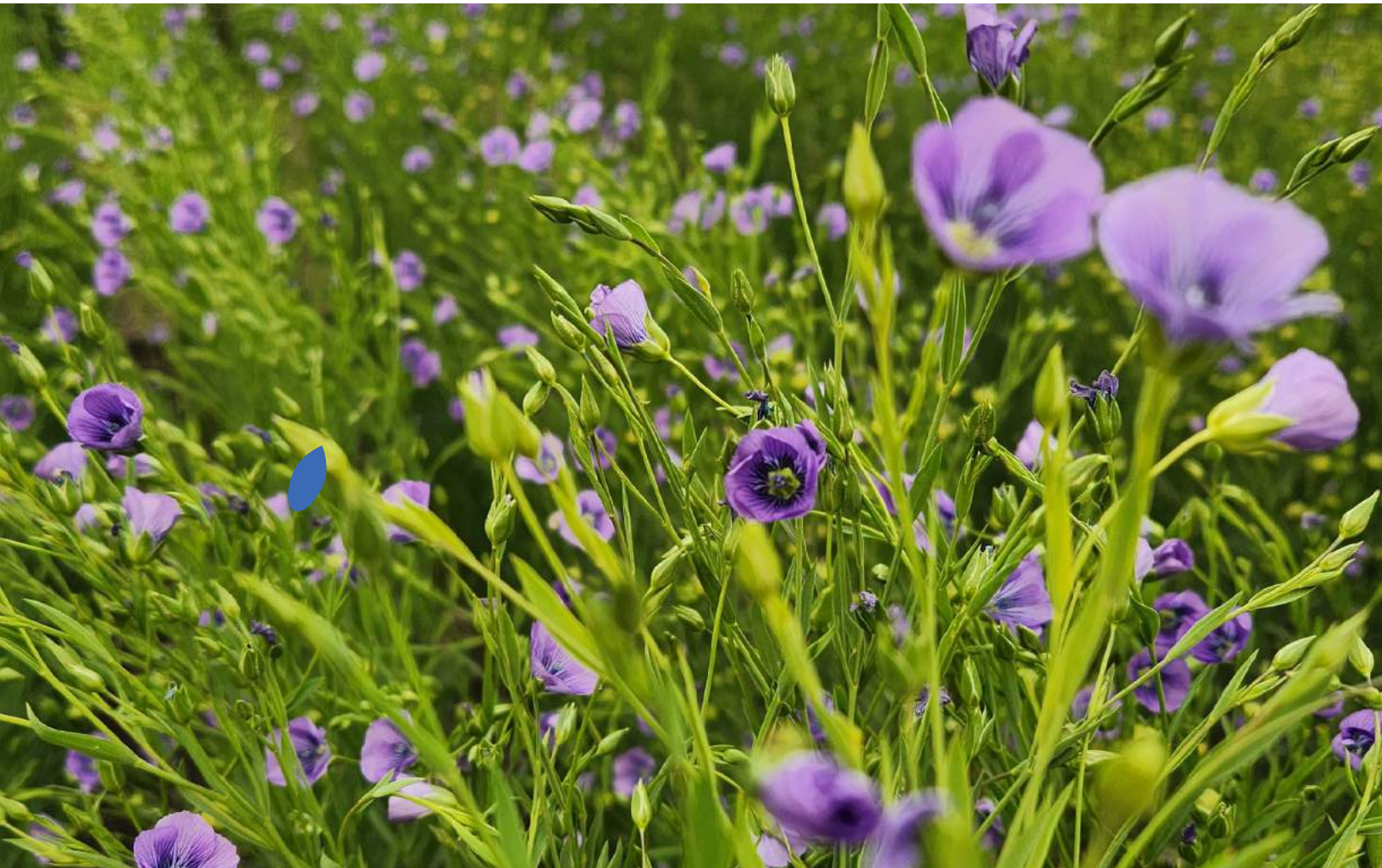




**SaskFlax**

# **Annual Report**

2022/23



[saskflax.com](https://saskflax.com)



## Vision

Saskflax, as a respected organization, leads the promotion of flax and flax products in the world

## Mission

To lead, promote, and enhance the production, value-added processing and utilization of Saskatchewan flax

## Board of Directors

SaskFlax's Board of Directors ensures that the organization is prudently managing the investment of 3,400 levy-paying flax farmers in Saskatchewan.



**Greg Sundquist**, Chair  
Watrous SK



**Patricia Lung**, Vice-Chair  
Humboldt SK



**John Burns**, Director  
Wynyard SK



**Thomas MacKenzie**, Director  
Regina SK

## State of the Industry Report

The 2023 crop year in Saskatchewan has been marked by variable crop yields, influenced significantly by the amount of moisture received across the province. Despite yields generally surpassing expectations, the majority of crops reported production levels below the 10-year average, including flax, with an average yield of 18 bushels per acre, which is 4.7 bu/acre lower than the 10-year average. Production of flaxseed in the 2022/23 growing season in Canada amounted to about 223,810 MT according to Statistics Canada.

Farmers continue to face price uncertainty in the global market and we as a Commission, continue to be faced with reduced revenue because of low acres and low yield, which limit the board's ability to invest in initiatives to develop the flax industry. SaskFlax is once again involved in the Diverse Field Crops Cluster under the Sustainable Canadian Agricultural Partnership and this round includes very critical activities to support the development of new varieties, which we so desperately need access to. We continue to support the work of the flax breeding program at the University of Saskatchewan and are working on renewing our funding commitments with the Crop Development Centre. Additionally, \$38k has been invested in flax variety trials, demonstrating a commitment to advancing the productivity and resilience of flax crops.

To follow up on the resolution at the annual general meeting in January, the board and staff have been seeking input on the implications of a complete merger between SaskFlax and SaskCanola and determining how to ensure success. Under this proposed amalgamation, SaskCanola would assume the mandate of SaskFlax for flax seed and straw, encompassing research, advocacy, market development investments and associated communications. Operational support from SaskCanola to the SaskFlax board has been in effect since January 2023.

The consideration for amalgamation arises from the aim to streamline administrative functions and enhance efficiency in supporting flax growers. SaskCanola has been actively involved in providing administrative support, and the proposed amalgamation seeks to consolidate efforts for the betterment of both the canola and flax sectors. The two commissions engaged in a consultation process with Saskatchewan canola and flax growers regarding the potential amalgamation. Feedback from the amalgamation survey has been overwhelmingly positive and at the time of writing this report, the two boards are working together to determine appropriate governance mechanisms to support the new organization that will fairly represent the two crops. Formal voting is scheduled to take place at the Annual General Meetings of both commissions in January 2024.

In conclusion, the 2023 crop year in Saskatchewan reflects the resilience of farmers in the face of variable conditions. Ongoing research initiatives and the prospect of amalgamation between SaskFlax and SaskCanola signal a commitment to innovation, sustainability, and the continued prosperity of the flax production industry in the region.



*Greg Sundquist*  
Greg Sundquist  
Board Chair, SaskFlax



*Tracy Broughton*  
Tracy Broughton  
Executive Director, SaskFlax

## Your Flax Organizations

The Saskatchewan Flax Development Commission (SaskFlax) was established in 1996 as a grower-led organization to develop the flax industry in the province.



FLAX COUNCIL OF CANADA

The **Flax Council of Canada** (FCC) is a national organization which promotes Canadian flax and flax products for nutritional and industrial uses in domestic and international markets.

**SaskFlax** is a core-funder of the Flax Council of Canada.



SaskFlax

**SaskFlax** collects a levy from registered Saskatchewan flax farmers to fund research and extension initiatives, advocate for favorable policy at both the provincial and national levels, and develop and promote flax to domestic and international markets.



# Research

SaskFlax invests the majority of the levy into research projects in an effort to further develop flax as a viable crop rotation option, and to enhance the production experience for farmers.

## Priorities

- Speed breeding for improved yield
- Breeding for enhanced heat & disease tolerance
- Breeding for reduced fiber for straw
- Microbially mediated straw breakdown
- Neuroprotective components of flax

## Cumulative

\$6M

invested into 100+ SaskFlax-funded research projects since 1996

20+

SaskFlax-funded research project results available at [saskflax.com](http://saskflax.com)

This Year

\$385K

in payments to support 17 ongoing research projects

\$38K

invested into flax variety trials

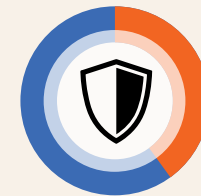
## Completed Projects

- ✓ the five-year Diverse Field Crop Cluster for flax breeding activities
- ✓ Determining the genetic control of flax fiber traits
- ✓ Revising the crop nutrient uptake and removal guidelines for Western Canada

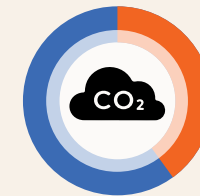
# Advocacy

SaskFlax represents farmers' best interests on key provincial and national policy initiatives.

In 2022-23, some of the most timely and relevant issues that SaskFlax worked on included:



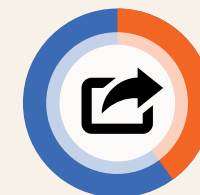
Crop Protection Product Regulation



Fertilizer Emissions



Grain Contracts



Export Sales Reporting

# Market Development

SaskFlax partners with the Manitoba Flax Growers Association and the Flax Council of Canada on the [HealthyFlax.org](http://HealthyFlax.org) website to increase consumer awareness and consumption of flaxseed.



## SASKATCHEWAN FLAX DEVELOPMENT COMMISSION

### Financial Statements

For the Year Ended July 31, 2023

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### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The financial statements of Saskatchewan Flax Development Commission have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.


The integrity and reliability of Saskatchewan Flax Development Commission's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Lingard + Dreger LLP, in accordance with Canadian generally accepted auditing standards.



Management



Management

Saskatoon, SK  
November 27, 2023



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Saskatchewan Flax Development Commission

### Qualified Opinion

We have audited the financial statements of Saskatchewan Flax Development Commission (the Commission), which comprise the statement of financial position as at July 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

The Commission collects a levy from Saskatchewan producers through buyers of flax, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of flax produced in Saskatchewan have collected and remitted the required levy to the Commission. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Commission. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for year ended July 31, 2023, current assets as at July 31, 2023 and July 31, 2022, and net assets at both the beginning and end of the July 31, 2023 and July 31, 2022 years. The audit opinion on the financial statements for the year ended July 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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

### Other Matter

The financial statements for the year ended July 31, 2022 were audited by another auditor who expressed a qualified opinion on those financial statements on November 15, 2022 for the reasons described in the *Basis for Qualified Opinion* section.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 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.

(continues)



Independent Auditor's Report to the Board of Directors of Saskatchewan Flax Development Commission  
(continued)

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.

*Lingard + Dreger*

Saskatoon, Saskatchewan  
November 27, 2023

Chartered Professional Accountants



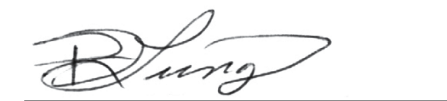


**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**  
**Statement of Financial Position**  
**As at July 31, 2023**

	2023	(Restated) 2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 440,055	\$ 145,544
Short-term investments (Note 4)	96,839	572,252
Accounts receivable (Note 5)	80,892	63,223
Prepaid expenses	2,298	2,089
	<b>620,084</b>	783,108
<b>LONG-TERM INVESTMENTS</b> (Note 4)	<b>371,691</b>	468,482
<b>TANGIBLE CAPITAL ASSETS</b> (Note 6)	-	5,379
	<b>\$ 991,775</b>	\$ 1,256,969
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 42,229	\$ 56,686
<b>NET ASSETS</b>		
<b>INTERNALLY RESTRICTED</b> (Note 8)	<b>700,000</b>	700,000
<b>UNRESTRICTED</b>	<b>249,546</b>	500,283
	<b>949,546</b>	1,200,283
	<b>\$ 991,775</b>	\$ 1,256,969

APPROVED BY THE BOARD OF DIRECTORS

  
 Director

  
 Director

See notes to the financial statements

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**  
**Statement of Operations**  
**For the Year Ended July 31, 2023**

	Budget (Note 11) 2023	2023	(Restated) 2022
<b>REVENUE</b>			
Producer levy			
Levy	\$ 720,000	\$ 417,937	\$ 415,336
Refunds	(36,000)	(15,553)	(10,213)
Net	684,000	402,384	405,123
Grants	18,163	73,846	102,198
Interest income	10,000	24,286	28,381
Other	-	38,089	55,781
	712,163	538,605	591,483
<b>EXPENSES</b>			
Operations and administration			
Amortization	4,000	1,157	1,341
Bad debts	-	108	-
Board of Directors	81,000	12,524	53,194
Consultants	115,000	169,439	154,570
General and administrative	4,300	12,358	12,763
Insurance	4,800	3,093	4,181
Levy administration	25,400	27,535	25,682
Meetings	10,000	19,964	12,224
Professional fees	13,000	8,096	36,786
Rent	9,000	7,803	23,113
Salaries and wages	85,000	28,570	50,092
	351,500	290,647	373,946
Grants and research projects (Schedule 1)	782,910	432,798	420,110
Communications (Schedule 1)	163,250	59,063	135,774
Market facilitation (Schedule 1)	10,000	3,262	2,756
	1,307,660	785,770	932,586
<b>DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	(595,497)	(247,165)	(341,103)
<b>OTHER ITEMS</b>			
Loss on disposal of tangible capital assets	-	3,572	-
<b>DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR</b>	\$ (595,497)	\$ (250,737)	\$ (341,103)

See notes to the financial statements

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**  
**Statement of Changes in Net Assets**  
**For the Year Ended July 31, 2023**

	Internally Restricted	Unrestricted	2023	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>				
As previously reported	\$ 700,000	\$ 470,875	\$ 1,170,875	\$ 1,541,386
Prior period adjustment (Note 3)	-	29,408	<b>29,408</b>	-
As restated	700,000	500,283	<b>1,200,283</b>	1,541,386
Excess (deficiency) of revenue over expenses	-	(250,737)	<b>(250,737)</b>	(341,103)
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 700,000</b>	<b>\$ 249,546</b>	<b>\$ 949,546</b>	<b>\$ 1,200,283</b>

See notes to the financial statements

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**  
**Statement of Cash Flows**  
**For the Year Ended July 31, 2023**

	2023	(Restated) 2022
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses for the year	\$ (250,737)	\$ (341,103)
Items not affecting cash:		
Amortization of tangible capital assets	1,157	1,341
Loss on disposal of tangible capital assets	3,572	-
	<b>(246,008)</b>	<b>(339,762)</b>
Changes in non-cash working capital:		
Accounts receivable	(17,669)	(11,658)
Prepaid expenses	(209)	1,949
Accounts payable and accrued liabilities	(14,457)	(5,167)
	<b>(32,335)</b>	<b>(14,876)</b>
Cash flow used by operating activities	<b>(278,343)</b>	<b>(354,638)</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds on disposal of tangible capital assets	650	-
Reinvested interest	(16,668)	(27,971)
Proceeds on disposal of investments	588,872	461,637
Cash flow from investing activities	<b>572,854</b>	<b>433,666</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	<b>294,511</b>	<b>79,028</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>145,544</b>	<b>66,516</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 440,055</b>	<b>\$ 145,544</b>
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	\$ 146,160	\$ 142,962
Investment savings account	293,895	2,582
	<b>\$ 440,055</b>	<b>\$ 145,544</b>

See notes to the financial statements

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**

**Notes to the Financial Statements**

**For the Year Ended July 31, 2023**

**1. NATURE OF BUSINESS**

Saskatchewan Flax Development Commission (the "Commission") was established by provincial legislation in April of 1996. The activities of the Commission are funded primarily by a levy on Saskatchewan produced flax, which is collected by buyers at the time of sale.

The mandate of the Commission is to promote and enhance flax production in Saskatchewan for maximum return to producers through research, market facilitation, leadership and communication in the industry.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

**Revenue recognition**

Producer levies are recognized as product is sold from the producers to the buyers in accordance with the *Saskatchewan Flax Development Plan Regulations*. Refunds are recognized using the accrual method based on actual requests submitted by producers for the crop year and are paid out subsequent to year-end by the Commission.

The Commission follows the deferral method of accounting for contributions, including grants. 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. Restricted contributions for expenses of the current period are recognized in the current period and restricted contributions for expenses of one or more future periods are deferred and recognized as revenue in the same period or periods as the related expenses are recognized.

Interest income is recognized as it is earned. Contributions of materials and services are recognized only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Commission's operations and would otherwise have been purchased.

**Cash and cash equivalents**

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

**Tangible capital assets and website development costs**

Tangible capital assets and website development costs are recorded at cost and amortized over their expected useful lives using the straight-line method.

Office equipment	5 years
Computer hardware	5 years
Computer software	5 years
Website development costs	5 years

**Grants and research projects**

Expenses are recognized when grants and research projects have been approved and the recipient has met the eligibility criteria.

**Financial instruments**

The Commission initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

*(continues)*

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**

**Notes to the Financial Statements**

**For the Year Ended July 31, 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Financial assets subsequently measured at amortized cost include cash, accounts receivable and investments. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. The fair value of the cash, accounts receivable, investments, and accounts payable and accrued liabilities approximates their carrying value due to their short-term nature.

**Income taxes**

The Commission qualifies as a tax exempt organization under section 149 of the *Income Tax Act*.

**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 revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

Significant estimates include, but are not limited to, the valuation of accounts payable and accrued liabilities.

**3. PRIOR PERIOD ADJUSTMENT**

In the current year it was determined that the grants revenue and accounts receivable for the July 31, 2022 year end were understated. These misstatements has been corrected retrospectively. The impact of this adjustment on the statement of financial position as at July 31, 2022 and statement of operations for the year ended July 31, 2022 is as follows:

	As previously stated	Adjustment	As restated
Accounts receivable	\$ 33,815	\$ 29,408	\$ 63,223
Fund balances	1,170,875	29,408	1,200,283
Grants	72,790	29,408	102,198
Deficiency of revenue over expenses for the year	(370,511)	29,408	(341,103)

**4. INVESTMENTS**

	Maturity	2023	Yield	2022
<b>Short-term</b>				
Term deposits	< 1 year	\$ 96,839	1.40%	\$ 572,252
<b>Long-term</b>				
Term deposits	2 - 4 years	\$ 371,691	1.36% - 2.33%	\$ 468,482
		\$ 468,530		\$ 1,040,734



**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**

**Notes to the Financial Statements**

**For the Year Ended July 31, 2023**

**5. ACCOUNTS RECEIVABLE**

The accounts receivable balance consists of the following:

	2023	2022
Levy receivables	\$ 48,216	\$ 30,406
Other receivables	32,676	32,817
	\$ 80,892	\$ 63,223

**6. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Office equipment	\$ -	\$ -	\$ -	\$ 5,379

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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

	2023	2022
Trade payables	\$ 27,350	\$ 50,413
Levy refunds payable	14,879	6,273
	\$ 42,229	\$ 56,686

**8. INTERNALLY RESTRICTED NET ASSETS**

The Commission has internally restricted net assets of \$700,000 to maintain operations and meet commitments in the event of crop failure, and to pay any amounts due in the event of disestablishment of the Commission.

**9. COMMITMENTS**

As at July 31, 2023, the Commission has committed to making the following payments for research projects:

2024	\$ 99,720
2025	35,658
2026	4,838
	\$ 140,216

**SASKATCHEWAN FLAX DEVELOPMENT COMMISSION**

**Notes to the Financial Statements**

**For the Year Ended July 31, 2023**

**10. RELATED PARTY TRANSACTIONS**

During the year ended July 31, 2023, members of the Commission's elected Board of Directors received payments for per diems and expenses of \$32,488 (2022 - \$64,444). All related party transactions described above are measured at the exchange amount, which is the consideration established and agreed to by the parties.

**11. BUDGET**

The budgeted amounts have been approved by the Board of Directors, are unaudited and are provided for purposes of comparison.

**12. PRODUCER LEVY**

Under the Regulations, each buyer of flax is required to remit to the Commission a levy deducted from any payments made to producers. Pursuant to board order No. 25/15, effective July 22, 2015, the levy was set at \$2.36 per tonne of flaxseed and \$0.50 per tonne of flax straw. Producers can request a refund for any levy paid from August 1 to July 31 by submitting a refund application by August 31.

**13. FINANCIAL INSTRUMENTS**

The Commission is exposed to various risks through its financial instruments.

**Credit risk**

The Commission is exposed to credit risk from potential non-payment of accounts receivable. The Commission believes that there is no unusual exposure associated with the collection of these receivables. The Commission manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. Most of the accounts receivable were collected shortly after year-end.

**Liquidity risk**

Liquidity risk is the risk that the Commission will encounter difficulty in meeting the obligations associated with its financial liabilities. The Commission is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and future commitments. The Commission manages its liquidity risk by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Commission is exposed to interest rate risk on its investments.

**14. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

## SASKATCHEWAN FLAX DEVELOPMENT COMMISSION

Schedule of Expenses (Schedule 1)  
For the Year Ended July 31, 2023

	Budget (Note 11) 2023	2023	2022
<b>Grants and research projects</b>			
Diverse Field Crop Cluster	\$ 502,781	\$ 130,097	\$ 144,027
Genetic Control of Flax Fiber	-	49,336	58,160
Genomic and Pathogenic Characterization	43,125	43,125	-
Crop Nutrient Removal Guidelines	1,766	41,419	-
ADOPT Reduction of Cadmium	10,562	31,129	56,189
Sask Variety Performance Group	26,000	26,660	20,300
Accelerated Breeding Strategy for Flax Improvement	43,125	25,315	-
Microbe Decomposition of Flax Straw	23,333	23,333	23,333
Edge Trial Research	10,000	19,739	-
Flax Variety Trial	19,500	11,425	5,375
Non-Traditional Nitrogen Fertilizer Management	7,600	9,250	-
Yield of Chickpea and Flax	6,967	6,967	23,150
Herbicide Resistant Kochia	6,494	6,494	-
Pre-Breeding for Reduced Step Strength	5,175	5,175	-
High Producing Dairy Cow	2,679	2,679	26,954
Disease Survey	-	655	1,592
BASF Saflufenacil Residue Trial	-	-	25,095
ADOPT Pre-Harvest Weed Control	-	-	14,859
Safe Flax Storage	-	-	7,875
Herbicide Resistant Kochia	-	-	7,903
Crop Nutrient Removal Guide	-	-	5,298
Breeding Flax for Western Canada	38,333	-	-
Straw Management - Variety Development	21,095	-	-
Myelin Degeneration	14,375	-	-
	\$ 782,910	\$ 432,798	\$ 420,110
<b>Communications</b>			
Memberships and subscriptions	\$ 46,000	\$ 21,684	\$ 51,855
Scholarships	20,000	10,000	20,000
Annual General Meeting	15,000	6,215	7,244
Newsletter	23,000	5,335	15,175
Farm and Food Care SK	5,250	5,250	5,705
Communications consultant	-	5,000	-
Industry liaison	10,000	3,024	8,425
Election	3,000	1,817	-
Other	-	738	-
Sponsorships	10,000	-	15,000
Strategic planning	-	-	9,702
Flax day	10,000	-	1,123
Networking	5,000	-	1,095
Prairie Recommending Committee on Oilseeds	-	-	450
Diverse Field Crop Cluster	6,000	-	-
Carbon Policy Government Relations	5,000	-	-
Ottawa trip	5,000	-	-
	\$ 163,250	\$ 59,063	\$ 135,774
<b>Market facilitation</b>			
Other	\$ 10,000	\$ 3,262	\$ 2,756

Flax, in all its forms, is used in food production, personal care products, animal feeds, fiber and a number of other industrial uses.

The Canadian commercial flax crop satisfies the diverse needs of a wide group of end users.



# SaskFlax

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