

Prairie Oat Growers Association Inc.

FINANCIAL STATEMENTS

Year Ended July 31, 2024

Prairie Oat Growers Association Inc.

Regina, Saskatchewan

July 31, 2024

Table of Contents

	Page
Independent Practitioners' Review Engagement Report	1
Statement of Financial Position	2
Statement of Operations and Changes in Net Assets	3
Statement of Cash Flow	4
Notes to Financial Statements	5-15
Schedule of Expenses	16



Independent Practitioners' Review Engagement Report

To the board of directors
Prairie Oat Growers Association Inc.

We have reviewed the accompanying financial statements of Prairie Oat Growers Association Inc., that comprise the Statement of Financial Position as at July 31, 2024, and the Statements of Operations and Changes in Net Assets, and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Prairie Oat Growers Association Inc. as at July 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Baker Tilly SK LLP

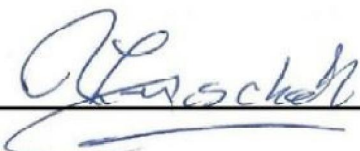
Baker Tilly SK LLP

Yorkton, SK
December 2, 2024

Prairie Oat Growers Association Inc.
 Regina, Saskatchewan
 Statement of Financial Position as at July 31, 2024

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	249,952	83,442
Accounts receivable - note 4	118,379	96,184
Prepaid expenses	<u>51,465</u>	<u>32,748</u>
	419,796	212,374
Capital Assets - note 5	<u>3,395</u>	<u>0</u>
	<u>\$ 423,191</u>	<u>\$ 212,374</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities - note 6	412,118	196,509
Deferred revenue - note 7	<u>5,148</u>	<u>9,940</u>
	417,266	206,449
Net Assets, Unrestricted	<u>5,925</u>	<u>5,925</u>
	<u>\$ 423,191</u>	<u>\$ 212,374</u>

Approved on behalf of the board:



Prairie Oat Growers Association Inc.
Statement of Operations and Changes in Net Assets
For the year ended July 31, 2024

	2024	2023
Revenue Before Funding Contributions		
<i>Grant revenues: - note 9</i>		
AgriMarketing - Japan Market Access	62,377	45,774
AgriMarketing - Mexico Project	135,593	124,102
AgriMarketing - Canada	58,815	50,765
AgriMarketing - Latin America	71,810	
AgriMarketing - South Korea	4,620	
Ag Action Manitoba		57,701
Alberta Oat Variety Trial	7,500	7,500
Government of Saskatchewan	35,265	
<i>Other revenues:</i>		
Conference revenues	66,448	59,331
Prairie Oat Breeding Consortium partner contributions - note 9		158,636
Royalty income	27,299	18,335
Sponsorships		8,000
Gain on disposal of capital assets	525	
Other income	2,993	359
	<u>473,245</u>	<u>530,503</u>
 Expenses - page 16		
Research Projects	216,000	350,075
Market Development Projects	686,177	561,259
Communications	91,491	107,242
Policy	11,688	15,893
General Operating Expenses	454,530	414,420
	<u>1,459,886</u>	<u>1,448,889</u>
 Deficiency of Revenue Over Expenses Before Funding Contributions	<u>(986,641)</u>	<u>(918,386)</u>
 Funding Contributions - note 8		
Manitoba Oat Growers Association	321,473	272,215
SaskOats	497,237	496,658
Alberta Oat Development Commission	167,931	149,513
	<u>986,641</u>	<u>918,386</u>
 Excess of Revenue Over Expenses for the Year	0	0
 Net Assets, Beginning of the Year	<u>5,925</u>	<u>5,925</u>
 Net Assets, End the Year	<u>\$ 5,925</u>	<u>\$ 5,925</u>

The notes to financial statements are an integral part of these financial statements.

Prairie Oat Growers Association Inc.

Statement of Cash Flow
For the year ended July 31, 2024

	2024	2023
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year		
Add items not requiring cash resources		
Amortization - page 16	424	1,317
Loss (gain) on disposal of capital assets	(525)	
Net change in working capital	<u>169,906</u>	<u>(151,053)</u>
	<u>169,805</u>	<u>(149,736)</u>
Investing activities		
Capital asset purchases	(3,820)	
Proceeds on disposal of capital assets	525	
	<u>(3,295)</u>	<u>0</u>
Net Cash Increase (Decrease) for the Year	166,510	(149,736)
Cash position, beginning of year	<u>83,442</u>	<u>233,178</u>
Cash Position, End of Year	<u>\$ 249,952</u>	<u>\$ 83,442</u>
Represented By:		
Cash and cash equivalents	<u>\$ 249,952</u>	<u>\$ 83,442</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	(22,195)	92,378
- prepaid expenses	(18,717)	(4,656)
Increase (decrease) - accounts payable and accrued liabilities	215,610	(84,279)
- other current liabilities	<u>(4,792)</u>	<u>(154,496)</u>
	<u>\$ 169,906</u>	<u>\$ (151,053)</u>

*The notes to financial statements are an integral
part of these financial statements.*

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

1. Nature of Operations

The Prairie Oat Growers Association Inc. (POGA) was incorporated on April 20, 1998 under the Non-Profit Corporations Act of Saskatchewan. The organization's purpose is to develop and support partnerships in the agricultural industry that will enhance the profitability of oats for prairie producers and increase its value to the customer. The organization is not subject to income tax.

POGA also works to co-ordinate the efforts of the Saskatchewan Oat Development Commission (operating as SaskOats), the Manitoba Oat Growers Association and the Alberta Oat Growers Commission. Further information regarding the relationship between POGA and these provincial organizations is detailed in note 8.

2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) using the accounting policies as summarized below:

(a) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks.

(b) Capital assets

Capital assets are recorded at cost less accumulated amortization.

The assets are amortized until the value has diminished using the following methods and rates:

	Method of Amortization	Rate of Amortization
Furniture, fixtures and equipment	straight-line	5 years
Computer equipment	straight-line	3 years

In the year of acquisition, capital assets are amortized starting in the month of acquisition.

In the year of disposition, capital assets are amortized until the month of disposition.

(c) Revenue

Funding contributions from the Saskatchewan Oat Development Commission, the Alberta Oat Growers Commission and the Manitoba Oat Growers Association are recognized based on a cost-sharing agreement between the three parties. Related revenues are recognized in the year in which the expenses included in the cost-sharing agreement are incurred.

Grant revenues and other contributions are recognized following the deferral method of accounting. As such, restricted contributions subject to external stipulations, including grant revenues, are recognized as revenue in the same period in which the related expenditures are made, provided all grant qualifications have been met and collection is reasonably assured. Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

2. Significant Accounting Policies - continued

(c) Revenue - continued

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Royalty revenue is recognized as received unless it can be reasonably estimated and collection is reasonably assured.

Conference and meeting registration revenues are recognized when the related conference is held and any conditions relating to the revenues have been fulfilled.

Investment income comprised of interest from cash and fixed income investments are recognized on an accrual basis. Interest on fixed income investments is recognized over the terms of these investments using the effective interest method. Other investment income is recognized when it is received.

(d) Project expenses

Project expenses are recognized when the expenditures are made or become payable.

(e) Financial instruments

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and 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 excess of revenue over expenses.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenses.

(f) Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the period in which they became known.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

2. Significant Accounting Policies - continued

(f) Estimates - continued

Significant estimates have been made in the following financial statement areas:

- expected service lives of capital assets
- grant revenues are recognized when management determines that the criteria for earning the funding has been met; however, the final determination of the qualification of expenses for funding commitments is determined by the granting body

3. Risks Arising from Financial Instruments

The organization is not exposed to significant risks through its financial instruments, with the exception of currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization enters into contracts with vendors located in the United States of America from time to time for provision of research or other services. In the current year, no significant revenues or expenses were originally incurred in US dollars. Commitments contracted in US dollars are described in note 9. As at July 31, 2024, cash of \$5,973 (2023 - \$3,547) is in US dollars and converted into Canadian dollars.

As at July 31, 2024, 93% (2023 - 91%) of the total receivables are due from provincial or federal government agencies.

	2024	2023
4. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Accounts receivable	7,500	9,500
Accrued grants receivable:		
AgriMarketing - Expanding the Canadian Oat Market	105,629	86,684
Government of Saskatchewan - Mexico/Peru Workshop	<u>5,250</u>	<u> </u>
	<u>\$ 118,379</u>	<u>\$ 96,184</u>
5. Capital Assets		
Cost		
Furniture, fixtures and equipment	2,065	2,065
Computer equipment	<u>6,834</u>	<u>5,925</u>
	<u>8,899</u>	<u>7,990</u>
Accumulated amortization		
Furniture, fixtures and equipment	2,065	2,065
Computer equipment	<u>3,439</u>	<u>5,925</u>
	<u>5,504</u>	<u>7,990</u>
Net book value	<u>\$ 3,395</u>	<u>\$ 0</u>

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

	2024	2023
6. Accounts Payable and Accrued Liabilities		
Accounts payable and accrued liabilities are comprised of the following items:		
Accounts payable	394,793	180,992
Government remittances	3,425	3,217
Accrued vacation pay	<u>13,900</u>	<u>12,300</u>
	<u>\$ 412,118</u>	<u>\$ 196,509</u>

7. Deferred Revenue

Deferred revenue is comprised of the following items:

	Balance, Beginning of Year	Less Amount Recognized	Plus Amount Received or Receivable	Balance, End of Year
Nurturing Canadian Oats grant		4,852	10,000	5,148
Conference	<u>9,940</u>	<u>9,940</u>	<u> </u>	<u> </u>
	<u>\$ 9,940</u>	<u>\$ 14,792</u>	<u>\$ 10,000</u>	<u>\$ 5,148</u>

8. Transactions with Related Parties

Included in these financial statements are transactions with the Saskatchewan Oat Development Commission (SaskOats), the Manitoba Oat Growers Association (MOGA) and the Alberta Oat Growers Commission (AOGC), all of which are related by virtue of common board members. Prairie Oat Growers Association Inc. provides administration services, overhead expenses, and research and development projects of mutual benefit to SaskOats, the MOGA and the AOGC. SaskOats, MOGA, and AOGC have agreed to jointly fund the net administrative and project expenses of POGA via a cost-sharing arrangement based on levy income, net of levy refunds. The proportionate share attributable to each organization is determined annually. Any expenditures made by the organization which are for the sole benefit of either SaskOats, the MOGA or the AOGC exclusively are recovered from that organization based on the actual cost to the POGA.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

8. Transactions with Related Parties - continued

Related party balance bear no specific terms of repayment. Related party transactions and balances included in the financial statements are as follows:

Financial Statement Accounts	2024	2023
Liabilities		
Accounts payable:		
MOGA's funding contributions	\$ 137,249	\$ 45,785
SaskOats' funding contributions	131,263	68,842
AOGC's funding contributions	34,069	16,987
Deferred revenue:		
SaskOats' funding of Nurturing Canadian Oats	5,148	
Revenue		
Provincial funding contributions:		
SaskOats	497,237	496,658
AOGC	167,931	149,513
MOGA	321,473	272,215

9. Projects and Future Funding Commitments

In the current year, the organization was involved in the following projects:

Development of the Mexican Oat Market

The purpose of this project is to develop the Mexican market for the export of Canadian oats with the purpose of the project to expand the reach and awareness of health benefits of consuming oats in Mexico. This project commenced in April 2018, with previous years' revenues and expenses being earned and incurred under agreements in effect at that time.

The organization entered into an agreement in 2023 with the purpose of increasing the demand for Canadian oats by promoting the health benefits of oats internationally with activities in Mexico to expand existing markets to increase oat consumption. POGA is eligible for a grant of up to \$415,325 from the Government of Canada, as represented by the Minister of Agriculture and Agri-Food under the "Expanding the Canadian Oat Market" grant, to fund 50% of eligible expenditures (including a 10% administrative cost allocation) under this project incurred between April 1, 2023 and March 31, 2026. POGA's commitment under this contract totals \$755,137 for contracted services, plus sales taxes and actual travel and meeting costs. Expenses incurred in the current year are recognized in the Mexico Market Development Project expense. \$331,347 in grant eligible expenses have been incurred to date, with \$182,241 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

In the current year, the organization received a grant from the Saskatchewan Ministry of Agriculture's Sustainable Canadian Agricultural Partnership, for the purpose of creating and executing a virtual workshop targeting nutritionists, dentists and health care professionals. The Mexican market has been identified as a priority market for this workshop, and as such the expenses relating to this project have been recognized in the Mexico Market Development Project expense, however, the organization also intends the project to benefit market development activities in the Peruvian Market. \$10,500 in grant revenues have been recognized in the current year in Government of Saskatchewan revenues, and \$22,050 in expenses have been recognized in the Mexico Market Development Project expense. This commitment has been completed in the current year.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. Projects and Future Funding Commitments - continued

Development of the Japanese Oat Market

The purpose of this project is to develop the Japanese market for the export of Canadian oats by filling market needs, and satisfying growing specific demands of oats in healthy diets, cereal breakfast and healthy products for the senior population. This project commenced in April 2019, with previous years' revenues and expenses being earned and incurred under agreements at that time.

The organization entered into an agreement in 2023, with the purpose of increasing the demand for Canadian oats by promoting the health benefits of oats internationally with activities in Japan to expand existing markets to increase oat consumption. POGA is eligible for a grant of up to \$159,688 from the Government of Canada, as represented by the Minister of Agriculture and Agri-Food under the "Expanding the Canadian Oat Market" grant, to fund 50% of eligible expenditures (including a 10% administrative cost allocation) under this project incurred between April 1, 2023 and March 31, 2026. POGA's commitment under this contract totals \$290,341 for contracted services, plus sales taxes and actual travel and meeting costs. Expenses incurred in the current year total are recognized in the Japan Market Development Project expense. \$139,292 in grant eligible expenses have been incurred to date, with \$75,388 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

Development of the Canadian Oat Market

The purpose of this project is to encourage Canadians to add oats to their everyday meals to obtain dietary benefits, such as being heart healthy and having a low glycemic index. Increased consumer awareness will be attained through various social media platforms, creating videos and presentation materials, and creating a website. This project commenced in April 2020, with previous years' revenues and expenses being earned and incurred under agreements in effect at that time.

The organization entered into an agreement in 2023, with the purpose of increasing demand for Canadian oats by promoting the health benefits of oats domestically to increase oat consumption. POGA is eligible for a grant of up to \$210,318 from the Government of Canada, as represented by the Minister of Agriculture and Agri-Food under the "Expanding the Canadian Oat Market" grant, to fund 50% of eligible expenditures (including a 10% administrative cost allocation) under this project incurred between April 1, 2023 and March 31, 2026. POGA's commitment under this contract totals \$382,396 for contracted services, plus sales taxes and actual travel and meeting costs. Expenses incurred in the current year total are recognized in the Canadian Market Development Project expense. \$156,071 in grant eligible expenses have been incurred to date, with \$85,839 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

In the current year, the organization entered into additional agreements with the Government of Saskatchewan, as represented by the Minister of Agriculture, through SaskOats for additional funding for a supplemental project called Nurturing Canadian Oats. This project is a social media campaign that will promote original oat-based recipes which focus on the benefits of oats to health, and how Canadian farmers produce oats across the country. The first grant was for up to \$20,000 incurred between October 6, 2023 and March 31, 2024. POGA entered into contracts for the provision of related services totaling \$40,000, plus sales taxes and actual travel and meeting costs. Expenses in the current year are recognized in the Nurturing Canadian Oats Market Development expense. \$39,827 in grant eligible expenses and \$19,913 of revenue relating to this contract have been recognized to date. The second grant was entered into for up to an additional \$20,000 incurred between April 1, 2024 to March 31, 2025. POGA's entered into contracts for the provision of related services totaling \$40,000, plus sales taxes and actual travel and meeting costs. Expenses in the current year are recognized in the Nurturing Canadian Oats Market Development expense. \$9,703 in grant eligible expenses and \$4,852 of revenue relating to this contract have been recognized to date.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. **Projects and Future Funding Commitments** - continued

Development of the Latin American Oat Market

The purpose of this project is to encourage Peruvian's to increase their consumption of oats through social media and other marketing materials. Peru was selected due to the Government of Peru's encouragement of good health including a recent nutrition guide and the growing interest in nutritional content in Peru after COVID-19. Many of the foundational elements of the Mexican campaign will be used, due to consistent language, reducing the cost of this work when comparing to other countries. While this project is currently focusing on Peru, the following are also countries of interest in the area to which the project might extend: Ecuador, Chile, Costa Rica, and Guatemala.

In 2023, POGA was approved for a grant of up to \$171,688 from the Government of Canada, as represented by the Minister of Agriculture and Agri-Food under the "Expanding the Canadian Oat Market" grant, to fund 50% of eligible expenditures (including a 10% administrative cost allocation) under this project incurred between April 1, 2023 and March 31, 2026. POGA's commitment under this contract totals \$312,160 for contracted services, plus sales taxes and actual travel and meeting costs. Expenses incurred in the current year total are recognized in the Peru Market Development Project expense. \$130,564 in grant eligible expenses have been incurred to date, with \$71,810 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

Development of the South Korean Oat Market

The purpose of this project is to attend the Team Canada Trade Mission in South Korea and meet with Korean companies who may be interested in importing Canadian oats.

In 2023, POGA was approved for a grant of up to \$4,620 from the Government of Canada, as represented by the Minister of Agriculture and Agri-Food under the "Expanding the Canadian Oat Market" grant, to fund 50% of eligible expenditures (including a 10% administrative cost allocation) under this project incurred between April 1, 2023 and March 31, 2026. Expenses incurred in the current year total are recognized in the Peru Market Development Project expense. \$8,400 in grant eligible expenses have been incurred to date, with \$4,620 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

Development of Oat Markets in Northern Communities

In the current year, the organization provided support to a project to deliver 7,500 2 kilogram bags of oatmeal, along with information posters and recipe cards, free-of-charge to over 30 municipal districts in the Peace Region of Northern Alberta. The purpose of this project was to encourage local residents to embrace the health benefits, affordability and convenience of oats. The organization has no further funding commitments in relation to this project.

Impact of Particle Size on Pulse & Oat Flours

The organization entered into an agreement with the University of Saskatchewan originally scheduled to run from December 12, 2018 to April 30, 2021 with a total commitment of \$30,000. Due to delays in research due to the pandemic, the project term was extended to March 1, 2024. The purpose of this project was to investigate the effects of milling/processing of pulse and cereal flours on physicochemical properties and technological functionality in foods and glycemic effect in adults. \$3,750 worth of expense was incurred in the current year (\$30,000 to date). This commitment has been completed in the current year.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. **Projects and Future Funding Commitments** - continued

Continued Studies on Intercropping

POGA has agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from April 1, 2021 to March 31, 2025. This project term was extended to March 31, 2027 due to severe hail damage. The purpose of this project is to determine if intercropping with legumes or a living mulch will provide benefits such as reduced weeds and reduced disease. POGA has committed to funding \$10,000 of the total project budget of \$263,373, with payments of \$2,500 being due in each of fiscal years 2021 through 2023 and a final \$2,500 in fiscal 2026. Expenses in the current year total \$0 (\$7,500 to date).

Oat Advantage

The organization has signed an agreement with Vesper Sparrow Prairie Research Inc. for a project entitled "A 55lb bushel high protein oat, with top grain yield, is in your future". POGA has committed funding of \$175,000 total, payable at \$35,000 per year due on or after August 1 for each year of the project beginning August 1, 2021. The project will be conducted from August 1, 2021 to July 31, 2026. Expenses incurred in the current year total \$35,000 (\$105,000 to date).

Development of a Nutritionally Enhanced Plant-Based Milk Alternative Beverage from Canadian Oats and Study of its Glycemia-Lowering Effect

The organization has agreed to fund a total of \$30,000 to the Governors of the University of Alberta for a project undertaken from August 1, 2021 to July 31, 2024. The purpose of this project is to develop an oat based beverage and examine its ability for use in the management of type 2 diabetes. \$7,500 in expenses have been recognized in the current year (\$30,000 to date). This commitment is now complete.

Oat Lodging: Identifying Key Root and Shoot Traits for Improved Standability

POGA has entered into an agreement with the National Research Council of Canada, in conjunction with the Western Grains Research Foundation, to fund a project running from January 5, 2022 to June 1, 2025. The purpose of this project is to assess root and stem traits of oat varieties important for lodging resistance. POGA's total commitment is \$15,000 for the project, payable in annual instalments of \$3,750. \$3,750 in expenses have been recognized in the current year (\$11,250 to date).

Alberta Variety Trials, Including Estimation of Beta Glucans Content and Yield of Seeds from Different Oat Varieties in Alberta

The organization agreed to fund \$53,250, payable in six semi-annual instalments of \$8,875 as specific requirements are completed, towards a three year extension of this project commencing April 1, 2022. Amounts paid and recognized as an expense in the current year total \$17,750 (\$44,375 to date).

POGA has recognized revenue of \$7,500 from industry partners towards the funding of this project in the current year.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. **Projects and Future Funding Commitments** - continued

Development of Healthy Food Products by Combining Proteins and Dietary Fibers

The purpose of this project is to develop high quality protein and fiber ingredients from oats for healthy food development by developing technology innovations to combine protein and dietary fiber from oats and pulse crops. POGA has committed to funding \$30,000 total between the execution of the contract in September 2022 and May 31, 2024. The project has now been extended to February 2025. Amounts paid and recognized as an expense in the current year total \$0 (\$25,000 to date).

Insect Response to Climate Change and Ag-Inputs Across the Prairies

The purpose of this project is to evaluate the response of insect pests to climate variables to understand their population dynamics, outbreak frequency, and recent changes in insect distribution and relative abundance. POGA has committed to funding \$2,500 total between the execution of the contract in April 2023 and November 2028. Amounts paid and recognized as an expense in the current year total \$1,000 (\$1,000 to date).

The Prairie Crop Disease Monitoring Network: Fostering Further Network Development

The purpose of this project is to further develop and refine the Prairie Crop Disease Monitoring Network, including new methods and improving existing protocols for disease and pathogen monitoring, enhancing information dissemination online, and strengthen coordination of annual biovigilance efforts. POGA has committed to funding \$5,000 total between the execution of the contract in June 2023 and May 2028. Amounts paid and recognized as an expense in the current year total \$2,000 (\$2,000 to date).

Dissecting the Association of Flowering Time and Yield in Oats

The purpose of this project is to research genome editing and understanding molecular mechanisms to permit plant breeders to engineer superior germplasm that will help farmers harness the crop's biological potential, such as delivering well-adapted cultivars to the short growing season in Canada. POGA has committed to funding \$56,250 total between the execution of the contract in June 2023 and May 2026. Amounts paid and recognized as an expense in the current year total \$37,500 (\$37,500 to date).

Dried Oat Oil Emulsion Powders Stabilized by Oat Hull-Derived Nanocellulose

The purpose of this project is to increase shelf life of stable formulations of dry and re-dispersible dried oil-in-water emulsions. POGA has committed to funding \$10,000 total between the execution of the contract in October 2023 and September 2024. Amounts paid and recognized as an expense in the current year total \$7,500 (\$7,500 to date).

Improving Productivity and Resilience of Cropping Systems on the Canadian Prairies

In February 2024, POGA agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from April 1, 2023 to December 30, 2028. The purpose of this project is to develop a future, resilient cropping system in each of the major ecozones on the Canadian prairies and develop a "sustainability index" which integrates cropping system indicators. POGA has committed to funding \$12,500 of the total project budget of \$2,596,805, with payments of \$2,500 being due in each of fiscal years 2024 through 2028. Expenses in the current year total \$2,500 (\$2,500 to date).

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. **Projects and Future Funding Commitments** - continued

The Prairie Weed Monitoring Network: Building a Strong Biovigilance Foundation

In February 2024, POGA agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from April 1, 2023 to December 30, 2028. The purpose of this project is to establish the Prairie Weed Monitoring Network, a network of federal researchers, provincial specialists, and academics guiding weed biovigilance for the prairie region. It will also work towards completing various surveys, such as the weed abundance survey, pre-harvest herbicide-resistance weed survey, and the post-harvest herbicide-resistant weed survey. POGA has committed to funding \$7,500 of the total project budget of \$1,779,052, with payments of \$1,500 being due in each of fiscal years 2024 through 2028. Expenses in the current year total \$1,500 (\$1,500 to date).

Different Oat Varieties, PGRs, Seeding Rates and their Interaction on Lodging and Shattering

The purpose of this project is to address the interaction of PGRs, such as Moddus and Minipulator, with increased oat seeding rates and their effects on shattering. POGA has committed to funding \$20,000 total between the execution of the contract in July 2024 and June 2027. Amounts paid and recognized as an expense in the current year total \$7,028 (\$7,028 to date).

Climate-Smart Trait Development in Oat Germplasm for Canada and the Prairie Oat Breeding Consortium

In July 2024, POGA entered into a collaborative research project with the Canadian Field Crop Research Alliance for the purposes of funding multiple research projects. This is a continuation of the project previously called Prairie Oat Breeding Consortium (POBC). POGA has specifically agreed to fund the climate-smart trait development in oat germplasm for Canada project. The purpose of this project is to produce new, better oat varieties with traits required by the entire oat value chain. This is a five-year commitment spanning April 2023 to March 2028, with POGA committing \$44,612 a year for a total commitment of \$223,057. Expenses incurred in the current year total \$89,222 (\$89,222 to date).

Long-Term C and N20 Monitoring, and Climate-Smart Management of Organic Grain Production Systems

Post yearend, POGA has agreed to participate in a collaborative research project with Organic Federation of Canada that will run from April 1, 2024 to March 31, 2026. The purpose of this project is to expand knowledge of GHGs in organic production by measuring N20 emissions and soil carbon storage for wheat, oat, and flax grown in a variety of organic production scenarios. POGA has committed to funding \$8,000 of the total project budget of \$121,900, with payments of \$4,000 being due in each of fiscal years 2025 and 2026. No expenses have been incurred to date.

Understanding, Mitigating, and Managing PPO Inhibitor (Group 14)-Resistant

Post yearend, POGA has agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from December 2023 to May 2029. The purpose of this project is to understand cross-resistance to PPO-inhibiting (group 14) herbicides in this kochia population, determine cross- or multiple-resistance to other herbicide modes of action, elucidate the molecular mechanism of Group 14 resistance, and understand the impact and distribution of this biotype in western Canada. POGA has committed to funding \$5,000 of the total project contribution agreement of \$240,750. No expenses have been incurred to date.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2024

9. **Projects and Future Funding Commitments** - continued

On Farm Fall Applied Granular Herbicide Products for the Control of Wild Oats and Kochia After Oats

The purpose of this project is to research possibilities of controlling wild oats, particularly glyphosate resistant wild oats, within cultivated oats. Post year end, POGA has committed to funding \$3,916 total during the project term of September 20, 2024 and December 15, 2025. No expenses have been incurred to date.

Other Agreements

POGA has agreed to contribute a total of \$10,000 for the BeGrainSafe Program over a four year period from August 2022 to July 2026. \$5,000 has been recognized in the current year (\$5,000 to date).

POGA has entered into an agreement for the facilitation of the 2024 Research Forum. The Research Forum will take place in December 2024. The agreement is for \$11,300 plus GST.

Post yearend, POGA contracted the Canadian Grain Commission to analyse a sample of oats for chlormequat and trinexapac-ethyl residue. The agreement is for \$1,500.

Prairie Oat Growers Association Inc.

Schedule of Expenses
For the year ended July 31, 2024

	2024	2023
1. Research Projects - note 9		
Alberta Oat Variety Trial	17,750	17,750
Association of Flowering Time and Yield in Oats	37,500	
Breeding Oat for Western Canada (POBC)		237,950
Climate-Smart Trait Development (POBC)	89,222	
Crown Rust		10,000
Dairy Cattle - Use of Oats		10,000
Development of an Oat Based Beverage	7,500	7,500
Development of Healthy Food Products		25,000
Development of Oat Cultivars	35,000	35,000
Different Oat Varieties, PGRs, and Seeding Rates	7,028	
Dried Oat Emulsion Powders Stabilization	7,500	
Impact of Particle Size - Oat & Pulse Flour	3,750	
Improving Productivity and Resilience of Cropping Systems	2,500	
Insect Response to Climate Change	1,000	
Intercropping for Increasing Yield and Quality		2,500
Oat Lodging	3,750	3,750
Prairie Crop Disease Monitoring Network	2,000	
Prairie Weed Monitoring Network	1,500	
Revising the Crop Nutrient Uptake		625
	\$ 216,000	\$ 350,075
2. Market Development Projects - note 9		
Canada	164,330	229,750
Japan	96,144	87,080
Latin America	137,092	
Mexico	280,909	244,429
Northern Communities	6,709	
South Korea	993	
	\$ 686,177	\$ 561,259
3. Communications		
Advertising, newsletter, website and membership	65,991	89,242
Sponsorships	25,500	18,000
	\$ 91,491	\$ 107,242
4. General Operating Expenses		
Administrative	260,308	247,104
Amortization	424	1,317
Annual conference	95,334	82,145
Directors' travel and administration	68,429	55,435
Loss on foreign exchange	176	95
Insurance	4,152	5,175
Interest and bank charges	1,022	859
Meetings	15,416	13,576
Professional fees	9,269	8,714
	\$ 454,530	\$ 414,420

*The notes to financial statements are an integral
part of these financial statements.*