

Prairie Oat Growers Association Inc.

FINANCIAL STATEMENTS

Year Ended July 31, 2025

Prairie Oat Growers Association Inc.

Regina, Saskatchewan

July 31, 2025

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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, 2025, 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, 2025, 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

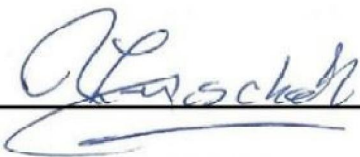
Baker Tilly SK LLP

Yorkton, SK
December 1, 2025

Prairie Oat Growers Association Inc.
Regina, Saskatchewan
Statement of Financial Position as at July 31, 2025

	2025	2024 (Note 10)
Assets		
Current Assets		
Cash and cash equivalents	138,966	249,952
Accounts receivable - note 4	83,451	118,379
Prepaid expenses	<u>81,103</u>	<u>51,465</u>
	303,520	419,796
Capital Assets - note 5	<u>2,122</u>	<u>3,395</u>
	<u>\$ 305,642</u>	<u>\$ 423,191</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities - note 6	288,760	412,118
Deferred revenue - note 7	<u>10,957</u>	<u>5,148</u>
	299,717	417,266
Net Assets, Unrestricted	<u>5,925</u>	<u>5,925</u>
	<u>\$ 305,642</u>	<u>\$ 423,191</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, 2025

	2025	2024 (Note 10)
Revenue Before Funding Contributions		
<i>Grant revenues: - note 9</i>		
AgriMarketing - Japan Market Access	45,910	62,377
AgriMarketing - Mexico Project	124,609	135,593
AgriMarketing - Canada	73,271	58,815
AgriMarketing - Latin America	56,833	71,810
AgriMarketing - South Korea		4,620
Alberta Oat Variety Trial	7,500	7,500
Government of Saskatchewan	21,692	35,265
<i>Other revenues:</i>		
Conference revenues	58,661	66,448
Royalty income	70,113	27,299
Gain on disposal of capital assets		525
Other income		2,993
	<u>458,589</u>	<u>473,245</u>
Expenses - page 17		
Research Projects	177,880	216,000
Market Development Projects	607,800	686,177
Communications	109,667	91,491
Policy	19,071	11,688
General Operating Expenses	499,593	454,530
	<u>1,414,011</u>	<u>1,459,886</u>
Deficiency of Revenue Over Expenses Before Funding Contributions	<u>(955,422)</u>	<u>(986,641)</u>
Funding Contributions - note 8		
Manitoba Oat Growers Association	318,088	321,473
SaskOats	478,702	497,237
Alberta Oat Development Commission	158,632	167,931
	<u>955,422</u>	<u>986,641</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, 2025

	2025	2024 (Note 10)
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year		
Add items not requiring cash resources		
Amortization - page 17	1,273	424
Loss (gain) on disposal of capital assets		(525)
Net change in working capital	(112,259)	169,906
	<u>(110,986)</u>	<u>169,805</u>
Investing activities		
Capital asset purchases		(3,820)
Proceeds on disposal of capital assets		525
	<u>0</u>	<u>(3,295)</u>
Net Cash Increase (Decrease) for the Year	(110,986)	166,510
Cash position, beginning of year	<u>249,952</u>	<u>83,442</u>
Cash Position, End of Year	<u>\$ 138,966</u>	<u>\$ 249,952</u>
Represented By:		
Cash and cash equivalents	<u>\$ 138,966</u>	<u>\$ 249,952</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	34,928	(22,195)
- prepaid expenses	(29,638)	(18,717)
Increase (decrease) - accounts payable and accrued liabilities	(123,358)	215,610
- other current liabilities	<u>5,809</u>	<u>(4,792)</u>
	<u>\$(112,259)</u>	<u>\$ 169,906</u>

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

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 (ASNFPPO) 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, 2025

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. Financial assets and liabilities originated or exchanged in related party transactions are initially measured at cost.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Financial assets measured at amortized cost using the straight line method include cash and accounts receivable (excluding those from related parties). Amounts receivable from related parties are measured at cost. Equity investments are measured at fair value. Changes in fair value are recognized in excess of revenue over expenses in the period they are incurred.

All financial liabilities are measured at amortized cost, except amounts payable to related parties which are measured at cost.

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.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

2. Significant Accounting Policies - continued

(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.

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, 2025, cash of \$(4,870) (2024 - \$5,973) is in US dollars and converted into Canadian dollars.

As at July 31, 2025, 97% (2024 - 93%) of the total receivables are due from provincial or federal government agencies.

	2025	2024
4. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Trade accounts receivable	2,500	7,500
Accrued grants receivable:		
AgriMarketing - Expanding the Canadian Oat Market	80,951	105,629
Government of Saskatchewan - Mexico/Peru Workshop		5,250
	<u>\$ 83,451</u>	<u>\$ 118,379</u>

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

	2025	2024
5. Capital Assets		
Cost		
Furniture, fixtures and equipment	2,065	2,065
Computer equipment	<u>6,834</u>	<u>6,834</u>
	<u>8,899</u>	<u>8,899</u>
Accumulated amortization		
Furniture, fixtures and equipment	2,065	2,065
Computer equipment	<u>4,712</u>	<u>3,439</u>
	<u>6,777</u>	<u>5,504</u>
Net book value	<u>\$ 2,122</u>	<u>\$ 3,395</u>

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are comprised of the following items:

Accounts payable	272,470	394,793
Government remittances	3,790	3,425
Accrued vacation pay	<u>12,500</u>	<u>13,900</u>
	<u>\$ 288,760</u>	<u>\$ 412,118</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	5,148	21,691	20,000	3,457
Sponsorships	<u> </u>	<u> </u>	<u>7,500</u>	<u>7,500</u>
	<u>\$ 5,148</u>	<u>\$ 21,691</u>	<u>\$ 27,500</u>	<u>\$ 10,957</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, MOGA and 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, MOGA or AOGC exclusively are recovered from that organization based on the actual cost to POGA.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

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	2025	2024
Liabilities		
Accounts payable:		
MOGA's funding contributions	\$ 65,523	\$ 137,249
SaskOats' funding contributions	30,461	131,263
AOGC's funding contributions	78,368	34,069
Board of directors	16,429	11,649
Deferred revenue:		
SaskOats' funding of Nurturing Canadian Oats	3,457	5,148
Revenue		
Provincial funding contributions:		
SaskOats	478,702	497,237
AOGC	158,632	167,931
MOGA	318,088	321,473
Expenses		
Directors' honorariums	37,175	26,550

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. \$557,909 in grant eligible expenses have been incurred to date, with \$306,850 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

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. \$220,544 in grant eligible expenses have been incurred to date, with \$121,299 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. \$289,290 in grant eligible expenses have been incurred to date, with \$159,110 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

In recent years, the organization has 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. In the prior year, a grant was entered into for up to \$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. \$40,500 in grant eligible expenses and \$20,000 of revenue relating to this contract have been recognized to date. In the current year, an additional grant was entered into for up to \$20,000 incurred between April 1, 2025 to March 31, 2026. 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. \$13,087 in grant eligible expenses and \$6,543 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, 2025

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. \$233,897 in grant eligible expenses have been incurred to date, with \$128,644 worth of grant funding earned to date to finance those grant eligible expenses under this agreement.

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, 2027. 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 by fiscal 2025. Expenses in the current year total \$2,500 (\$10,000 to date). This commitment is now complete.

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 (\$140,000 to date).

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

9. Projects and Future Funding Commitments - continued

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 installments 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 \$8,875 (\$53,250 to date). This commitment was concluded in the current year.

In the current year, POGA agreed to a three year extension of this project commencing April 1, 2025. POGA has agreed to fund \$61,500, payable in six semi-annual installments of \$10,250 as specific requirements are completed. Amounts paid and recognized as an expense in the current year total \$10,250 (\$10,250 to date).

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

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, with a project extension to February 2025. Amounts paid and recognized as an expense in the current year total \$5,000 (\$30,000 to date). This commitment was concluded in the current year.

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 \$500 (\$1,500 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. No expenses were incurred in the current year (\$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 \$14,063 (\$51,563 to date).

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

9. Projects and Future Funding Commitments - continued

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 \$2,500 (\$10,000 to date). This commitment is now complete.

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 \$5,000 (\$7,500 to date).

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-resistant 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 \$3,000 (\$4,500 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 \$7,448 (\$14,476 to date).

In the current year, POGA also paid an additional \$1,500 plus tax to have whole oat samples from this project tested for residue concentrations of chlormequat and trinexapac-ethyl.

Long-Term C and N₂O Monitoring, and Climate-Smart Management of Organic Grain Production Systems

In the current year, 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 N₂O 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. Expenses incurred in the current year total \$4,000 (\$4,000 to date).

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

9. Projects and Future Funding Commitments - continued

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

In the current year, 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. Expenses incurred in the current year total \$2,283 (\$2,283 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 the Agriculture and Agri-Food Canada oat breeding program located in Brandon, Manitoba. 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 \$44,611 a year for a total commitment of \$223,057. Expenses incurred in the current year total \$44,611 (\$133,833 to date).

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

In the current year, POGA has agreed to participate in a research project with the Northeast Agriculture Research Foundation. The purpose of this project is to research possibilities of controlling wild oats, particularly glyphosate resistant wild oats, within cultivated oats. 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.

Expansion, Validation, and Optimization of Rapid Genetic Tests for Herbicide Resistance

In the current year, POGA has agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from April 2025 to November 2029. The purpose of this project is to develop more timely and efficient herbicide resistance tests. POGA has committed to funding \$20,000 of the total project contribution agreement of \$499,825. Expenses incurred in the current year total \$4,790 (\$4,790 to date).

Optimizing Oat Floral Architecture to Maximize Grain Yield and Quality

In the current year, POGA has agreed to participate in a collaborative research project with Western Grain Research Foundation that will run from April 2025 to November 2028. The purpose of this project is to address the information gap and advance oat breeding towards a breeding-by-design approach. POGA has committed to funding \$29,843 of the total project contribution agreement of \$298,425. Expenses incurred in the current year total \$10,690 (\$10,690 to date).

Prairie Oat Growers Association Inc.

Notes to Financial Statements
For the year ended July 31, 2025

9. Projects and Future Funding Commitments - continued

Other Agreements

In the prior year, POGA entered into an agreement for the facilitation of the 2024 Research Forum. The Research Forum took place in the current fiscal year in December 2024. Amounts paid and recognized as an expense in the current year total \$11,300 plus GST (\$11,300 plus GST to date). This commitment was concluded in the current year.

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. \$2,500 has been recognized in the current year (\$7,500 to date).

Subsequent to year end, the organization entered into an agreement for the creation of additional promotional services at a cost of \$5,000 plus applicable sales taxes.

10. Comparative Figures

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

Prairie Oat Growers Association Inc.

Schedule of Expenses
For the year ended July 31, 2025

	2025	2024 (Note 10)
1. Research Projects - note 9		
Alberta Oat Variety Trial	19,125	17,750
Association of Flowering Time and Yield in Oats	14,063	37,500
Climate-Smart Trait Development (POBC)	44,611	89,222
Development of an Oat Based Beverage		7,500
Development of Healthy Food Products	5,000	
Development of Oat Cultivars	35,000	35,000
Different Oat Varieties, PGRs, and Seeding Rates	9,023	7,028
Dried Oat Emulsion Powders Stabilization	2,500	7,500
Impact of Particle Size - Oat and Pulse Flour		3,750
Improving Productivity and Resilience of Cropping Systems	5,000	2,500
Insect Response to Climate Change	500	1,000
Intercropping for Increasing Yield and Quality	2,500	
Long-term C and N20 Monitoring	4,000	
Managing PPO Inhibitor-Resistant Kochia	2,283	
Oat Lodging	3,750	3,750
Optimizing Floral Oat Architecture	10,690	
Prairie Crop Disease Monitoring Network		2,000
Prairie Weed Monitoring Network	3,000	1,500
Rapid Genetic Tests for Herbicide Resistance	4,970	
Research Forum	11,865	
	<u>\$ 177,880</u>	<u>\$ 216,000</u>
2. Market Development Projects - note 9		
Canada	185,708	164,330
Japan	87,647	96,144
Latin America	108,500	137,092
Mexico	225,945	280,909
Northern Communities		6,709
South Korea		993
	<u>\$ 607,800</u>	<u>\$ 686,177</u>
3. Communications		
Advertising, newsletter, website and membership	83,073	65,991
Education	23,594	17,500
Sponsorships	3,000	8,000
	<u>\$ 109,667</u>	<u>\$ 91,491</u>
4. General Operating Expenses		
Administrative	249,838	260,308
Amortization	1,273	424
Annual conference	124,115	95,334
Directors' travel and administration	83,528	68,429
Loss on foreign exchange	234	176
Insurance	10,571	4,152
Interest and bank charges	1,068	1,022
Meetings	18,976	15,416
Professional fees	9,990	9,269
	<u>\$ 499,593</u>	<u>\$ 454,530</u>