



**Financial Statements**  
**Year Ended December 31, 2021**

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of Canola Council of Canada

### *Opinion*

We have audited the financial statements of Canola Council of Canada (the organization), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2021, 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 (ASNPO).

### *Basis for Opinion*

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 organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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:

(continues)

Independent Auditor's Report to the Board of Directors of Canola Council of Canada (continued)

- 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 organization'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 organization'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 organization 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.



Winnipeg, MB  
February 16, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

## CANOLA COUNCIL OF CANADA

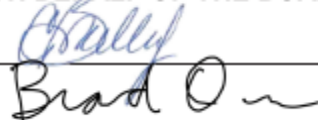
## Statement of Financial Position

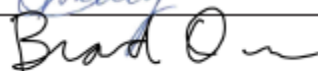
December 31, 2021

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents (Note 5)	\$ 9,966,293	\$ 8,601,741
Accounts receivable	608,221	1,220,410
Prepaid expenses	116,506	123,408
	<b>10,691,020</b>	9,945,559
<b>CAPITAL ASSETS (Note 4)</b>	<b>388,008</b>	547,906
	<b>\$ 11,079,028</b>	<b>\$ 10,493,465</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Notes 6, 10)	\$ 3,007,420	\$ 2,647,171
Wages and salaries payable	344,477	367,445
Deferred administered project funds	119,962	100,555
Deferred revenue (Note 9)	637,538	979,944
	<b>4,109,397</b>	4,095,115
<b>DEFERRED LEASEHOLD IMPROVEMENT ALLOWANCE (Note 7)</b>	<b>42,062</b>	63,093
	<b>4,151,459</b>	4,158,208
<b>NET ASSETS</b>		
Invested in Capital Assets	345,946	484,813
Unrestricted	6,581,623	5,850,444
	<b>6,927,569</b>	6,335,257
	<b>\$ 11,079,028</b>	<b>\$ 10,493,465</b>

LEASE COMMITMENTS (Note 11)

ON BEHALF OF THE BOARD

 Director

 Director

**CANOLA COUNCIL OF CANADA**  
**Statement of Revenues and Expenditures**  
**Year Ended December 31, 2021**

	Budget (Unaudited) 2021	Total 2021	Total 2020
<b>REVENUES</b>			
Grain companies assessment	\$1,855,000	<b>\$2,011,595</b>	\$1,855,000
Provincial grower groups assessment	2,575,000	<b>2,575,000</b>	2,575,000
Life Science companies contributions	750,000	<b>750,000</b>	751,000
Investment interest	65,000	<b>27,340</b>	76,263
Memberships	30,000	<b>27,375</b>	30,375
Corporate sponsors	173,825	<b>183,485</b>	410,350
Annual convention	-	-	110,773
Service fees	130,500	<b>138,879</b>	143,223
Producer agronomy funding	455,575	<b>456,687</b>	452,424
Brand maintenance	949,925	<b>947,191</b>	648,529
Market access	216,500	<b>126,850</b>	179,816
Research	1,129,325	<b>678,475</b>	787,145
Research and knowledge transfer	1,684,625	<b>1,648,772</b>	1,773,503
Canada summer jobs	-	<b>4,431</b>	-
Retrain Manitoba funding	-	<b>2,087</b>	-
Coordinated programs	2,575,675	<b>2,079,835</b>	2,538,779
Leasehold improvement allowance	21,050	<b>21,031</b>	21,031
	<b>12,612,000</b>	<b>11,679,033</b>	<b>12,353,211</b>
<b>EXPENSES</b>			
Salaries	2,904,875	2,774,072	2,869,361
Research	3,075,400	3,111,305	2,661,416
Agronomy specialists - operating costs	395,000	271,059	290,873
Consulting fees	354,650	324,045	388,726
Research and knowledge transfer	233,275	114,769	150,978
Market access	1,484,625	979,742	1,137,276
Annual convention	1,700	15,088	170,158
Website maintenance	35,300	23,894	68,936
Member communications	47,500	58,876	58,090
Board of directors meetings and expenses	38,950	21,286	18,807
Utilization	860,550	608,329	622,710
Travel	160,000	46,727	59,859
Overhead	416,500	374,375	379,066
Administration	118,775	77,021	87,694
Memberships and subscriptions	206,125	196,163	167,541
Sponsorships	10,100	10,134	9,296
Coordinated programs	2,575,675	2,079,835	2,538,779
	<b>12,919,000</b>	<b>11,086,721</b>	<b>11,679,566</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (307,000)</b>	<b>\$ 592,312</b>	<b>\$ 673,645</b>

**CANOLA COUNCIL OF CANADA**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2021**

	Invested in Capital Assets	Unrestricted	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 484,813	\$ 5,850,444	\$ 6,335,257	\$ 5,661,612
Excess of revenues over expenses	-	592,312	<b>592,312</b>	673,645
Amortization of capital assets	(162,547)	162,547	-	-
Amortization of deferred leasehold improvement allowance	21,031	(21,031)	-	-
Purchase of capital assets (net)	2,649	(2,649)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 345,946</b>	<b>\$ 6,581,623</b>	<b>\$ 6,927,569</b>	<b>\$ 6,335,257</b>

## CANOLA COUNCIL OF CANADA

## Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 592,312	\$ 673,645
Items not affecting cash:		
Amortization	162,547	176,366
Gain on disposal of capital assets	(8,815)	(16,629)
Deferred leasehold improvement allowance	(21,031)	(21,031)
	<b>725,013</b>	812,351
Changes in non-cash working capital	<b>633,375</b>	348,657
Cash flow from operating activities	<b>1,358,388</b>	1,161,008
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(14,651)	(300,396)
Proceeds on disposal of capital assets	20,815	64,629
Cash flow from (used by) investing activities	<b>6,164</b>	(235,767)
<b>INCREASE IN CASH</b>	<b>1,364,552</b>	925,241
Cash and cash equivalents - beginning of year	<b>8,601,741</b>	7,676,500
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 9,966,293</b>	\$ 8,601,741
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash	\$ 5,585,293	\$ 4,851,741
Guaranteed Investment Certificates	4,381,000	3,750,000
	<b>\$ 9,966,293</b>	\$ 8,601,741