



SASK PORK
2021-2022
ANNUAL REPORT





MISSION

Through leadership and collaboration, foster a positive business environment that sustains our global competitiveness and high standards for on-farm production while stimulating long-term growth and investment in the Saskatchewan pork industry.

VISION

Helping producers achieve excellence in sustainable and profitable pork production.



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CHAIR'S MESSAGE

Wow, what a roller coaster year this has been! The year started off with public health restrictions still in place, and limited travel and in-person events. We experienced drought challenges, rising feed costs, and logistical supply issues. There were also public protests at border crossings and blockades at ports of entry, creating delays, and costs to products and animals that needed to cross our international border.

On a positive note, a fairly good harvest in western Canada should ease some of the strain of feed availability. One thing that has become obvious is that pork producers seem as resilient as ever.

Avian Influenza reared its head in the North American poultry industry and served as a reminder for producers to remain vigilant about biosecurity and the threat of diseases like ASF and PED. Much work and collaboration is being done on the national level between the provincial pork boards, CPC and government agencies in ASF preparedness and prevention. The extra funding announced by the federal

government (\$45M) will go a long way in helping the industry prepare.

With the CQA program coming to an end, producers are transitioning to the new CPE program for the January 2024 deadline. In Quebec, 100% of producers have transitioned, and many Saskatchewan farms have already taken the training and enrolled on the new program. Sask Pork will continue to offer training sessions and support in the coming year.

The PPRA (Pork Promotion Research Agency) has started to collect levy funding which will provide additional funding for research and promotion of Canadian pork domestically.

The Front of Packaging (FOP) labelling that Health Canada proposed to ground beef and pork was seen as detrimental to the promotion of our products to consumers. A successful lobbying effort was made by commodity groups to have Health Canada exempt ground beef and pork products from being classed as a high-risk food.

The Sustainable Canadian Agricultural Partnership (SCAP) is set to come into effect in April 2023. It will require producers to take another look at their operations in order to access this funding, as there is a heavy emphasis on environmental stewardship, emission reductions, and a push to go "green".

I would like to thank the board of directors and staff at Sask Pork for the outstanding work on the many files being kept up to date. They are doing a wonderful job, kudos to you all.

Respectfully,

Toby Tschetter
Board Chair



GENERAL MANAGER'S MESSAGE

I am amazed by how quickly another year has gone by. As always, in the hog industry, it has been an eventful one. It is gratifying to see many of the industry events we organize and attend resume as live in-person events, and it has been great to see the faces of producers again in the office and around the province.

On behalf of the board, it is my privilege to present this year's annual report. Please take the time to read and learn more about the many programs and initiatives undertaken by Sask Pork on your behalf over the course of the year.

It is not often that I am able to report that we've had a year with historically high hog prices. While that is indeed the case this year, the celebration has been muted as the legacy of the 2021 drought in western Canada and other global events continue to push global feed prices higher than they have ever been. Thankfully, global demand

for pork remains very strong, and we can only hope that our revenue stays ahead of the inflationary pressures on the expense side of the business.

The outlook for the Saskatchewan industry remains bright. This year saw the addition of a new genetics nucleus in Saskatchewan with the construction and population of the state of the art 2,000-sow PIC Atlas facility in Carlyle. We are also seeing growth in our processing sector as we are poised to add a new sow processing facility in Moose Jaw in the coming year. This new plant will provide a long-term benefit to all hog farms in the province through increased value for culled sows, and reduced biosecurity risks from the assembly and cross-border movement of these animals.

While there are many challenges facing producers in Saskatchewan, preparing for and managing the threat of disease is among our top priorities. A major project Sask Pork undertook this year was a collaboration with Donald's Fine Foods and the Saskatchewan Ministry of Agriculture on the installation of a dedicated humane cull line in their new sow plant. This will enable the humane depopulation of animals if we ever experience a disease challenge or other event that closes our borders. Saskatchewan remains PED-free and your efforts every day on farms, maintaining high biosecurity standards, are to credit for this.

In closing, I would like to recognize the board for their commitment to the industry and guidance provided throughout the year. I also want to welcome Lynn Redl-Huntington to the staff. Lynn joined Sask Pork in October 2021 to manage the Communications and Marketing program area. Finally, I would like to thank Patty, Lynn, Jessica, and Ravneet for their dedicated service to the industry and organization over the past year.

Mark Ferguson
General Manager



2021-22 YEAR

1,757,015

market weight hogs sold



index 100
hog prices averaged
a record \$211.13/ckg

Saskatchewan remains the
5th largest pork producing
province in Canada

1. Manitoba
2. Ontario
3. Quebec
4. Alberta
5. Saskatchewan



70 trainees completed in person
or online Transportation Quality
Assurance Program (TQA)

12

new recipes
developed



2.3
MILLION

pigs produced
on 147 farms across
Saskatchewan



67 farms transitioned to
the Canadian Pork
Excellence Program

45 NEW PREMISES
REGISTERED



\$456,837

in funding for research
& innovation

3 Cook-Along
videos with celebrity
cookbook authors



IN REVIEW

122,000

sows & bred gilts in Saskatchewan's breeding herd

an increase of 7,100 sows & bred gilts



1.8 MILLION

impressions on 6 social media channels

9

Saskatchewan producers who produce over 50,000 hogs a year

NEARLY 70% OF THE PORK PRODUCED IN CANADA IS EXPORTED TO...

100 countries



60,000

sows in group sow housing

All 8 Save On Foods across Sask featured pork grilling recipes this summer



pork donated to 4 food banks across Saskatchewan

There are nearly 2 pigs for every person in Saskatchewan



222 registrants from 12 countries attended Symposium 2021 virtually



BOARD OF DIRECTORS



**TOBY
TSCHETTER**

Board Chair
Star City Farming
Star City, SK.



**JAY
MCGRATH**

Vice-Chair
Sinnett Pork Farm Ltd.
Leroy, SK.



**JOHN
BECKTON**

Audit Chair
Brock Stock Farm Ltd.
Saskatoon, SK.



**DICKSON
GOULD**

Director
The Progressive Group
Niverville, MB.



**JASON
HOFER**

Director
Spring Lake Farming Co.
Swift Current, SK.



**CASEY
SMIT**

Director
Olymel
Humboldt, SK.

SASK PORK STAFF



MARK FERGUSON

General Manager



RAVNEET KAUR

Producer Services & On-Farm Food Safety



JESSICA PODHORDESKI

Ag Education



LYNN REDL-HUNTINGTON

Communications & Marketing



PATTY RILEY

Financial Administrator

INDUSTRY REPRESENTATION

INDUSTRY COMMITTEES & BOARDS

Agricultural Producers Association of Saskatchewan-Livestock Committee:

Mark Ferguson

African Swine Fever Western Area Steering Committee:

***Destruction & Disposal:** Ravneet Kaur

***Event Management & Communication:**

Ravneet Kaur & Lynn Redl-Huntington

***Permitting & Zoning:** Mark Ferguson

Agriculture in the Classroom:

Jessica Podhordeski

Canada West Swine Health Intelligence Network:

Mark Ferguson & Ravneet Kaur

CFIA African Swine Fever Communications Working Group:

Lynn Redl-Huntington

Farm & Food Care Saskatchewan Board of Directors:

Jay McGrath

Feed Innovation Institute, U of S:

Mark Ferguson

Prairie Swine Centre Board of Directors:

Mark Ferguson

Saskatchewan Ag Industry Communicators:

Lynn Redl-Huntington

Saskatchewan Feral Pig Working Group:

Mark Ferguson

CANADIAN PORK COUNCIL(CPC)

Board of Directors: Casey Smit

Advocacy Committee: Casey Smit

Business Risk Management Committee:

Mark Ferguson

On Farm Programs – Provincial Coordinator

Committee: Ravneet Kaur

Codes of Practice Committee:

Casey Smit

National Communications Group:

Lynn Redl-Huntington

PigTrace Operations Team:

Mark Ferguson & Ravneet Kaur

PigTrace Policy Committee:

Casey Smit (Chair)

NATIONAL ORGANIZATIONS

Canada Pork: Dickson Gould

Pork Promotion & Research Agency (PPRA):

Mark Ferguson

Swine Innovation Porc: Dickson Gould



INDUSTRY DEVELOPMENT

PROCESSING

In 2021, Donald's Fine Foods announced it was moving forward with a project to convert the former XL Foods beef plant in Moose Jaw, Saskatchewan to a sow processing facility, targeting a 2022/2023 completion date. Additional sow processing capacity would provide a significant benefit for the western Canadian pork industry. Producers currently assemble and export the vast majority of their cull sows to the United States for processing. With a Moose Jaw sow processing plant, western Canadian producers will benefit from higher prices for sows thanks to reduced transportation costs, greater ability to deliver direct, improved biosecurity, and the alleviation of border closure risks.

This year, Sask Pork, in collaboration with the Saskatchewan Ministry of Agriculture and Donald's Fine Foods, agreed to implement a swine market disruption plan to help industry respond to potential market disruptions due to animal health emergency events such as African swine fever. The Ministry of Agriculture provided \$700,000 towards this initiative, with Sask Pork contributing \$300,000. The funding will support the creation of a humane cull line at the sow processing facility to allow for efficient humane slaughter of all classes of swine if a serious swine disease outbreak were to ever temporarily halt trade in hogs and/or pork products.

DROUGHT/FEED AVAILABILITY

The drought in western Canada during the summer of 2021 had a significant impact on the Saskatchewan industry. Sask Pork advocated for programs to assist with the staggering feed costs and lack of local feed inputs. These efforts included collaborating with other western pork organizations and the CPC to lobby for support through AgriRecovery, and working with other commodity organizations in Saskatchewan on a joint request for a program to provide freight assistance for imported grain. These efforts were ultimately unsuccessful across western Canada.

ONLINE LEARNING OPPORTUNITIES

Sask Pork organized a Feed Town Hall meeting on September 23, 2021 with researchers from the U of S and PSC presenting strategies to manage high feed costs. Sask Pork communicated the significant need for imported feed and encouraged grain companies to commence large scale imports of corn and other feed products in Fall 2021. Sask Pork also hosted a three part Spring 2022 webinar series on the topics of Canada's new transport regulations, small scale production, and livestock transportation emergencies. All recordings were posted and emailed to registered attendees and on request to producers.



SUSTAINABLE CANADIAN AGRICULTURAL PARTNERSHIP (SCAP) CONSULTATIONS

The next 5-year federal/provincial agreement on the suite of agricultural programs is currently being negotiated, with the new framework beginning in April 2023. Federal, provincial, and territorial (FPT) Ministers of Agriculture reached an agreement in principle for the new Sustainable Canadian Agricultural Partnership at their annual meeting in Saskatoon. The ministers announced an increase to the funding envelope, with a 25% increase in new funding for cost-shared activities. This is the first funding increase in many years. They also indicated that there would be an increased emphasis on programs to reduce GHG emissions. To enhance economic sustainability, Ministers reached an agreement to raise the AgriStability compensation rate from 70% to 80%. The hog industry had been advocating for improvements to AgriStability for some time, and this change was something the industry specifically requested.

Sask Pork has participated in consultations on the framework and there is expected to be ongoing consultations on the specific programs within the SCAP framework over the coming year.

PRICING

Sask Pork, in collaboration with the other provincial pork boards, and the CPC continue to explore Canadian hog pricing transparency and formulas, as well as advocate for mandatory wholesale cutout price reporting in Canada. In 2021/2022, index 100 hog prices in Saskatchewan averaged a record \$211.13/kg.

Western Canada continues to operate with excess slaughter capacity, resulting in a high demand for hogs, and favorable pricing. This is in contrast to the situation in Eastern Canada where slaughter capacity is currently insufficient to handle current production in Quebec and Ontario, necessitating increased live hog exports. Further, producers selling in Quebec were asked to accept a \$40/kg discount to their pricing formula to avoid further reductions in slaughter.



EXPORTS & TRADE

Canada annually exports pork products to over 100 countries. Export sales account for approximately 70% of the pork produced in the country. In 2021, Canada exported approximately 1.44 million tonnes of pork with a value of \$4.96 billion. Sask Pork supports export development through annual core funding to Canada Pork of \$0.05/hog, or approximately \$90,000/year.

In 2020, China was our top export market for pork in terms of quantity sold and value. Due to the delisting of Canadian pork plants due to Covid and other political factors, China has now fallen to 3rd in terms of both quantity sold and value with \$779 million in exports in 2021. The United States is currently Canada's top market for pork with \$1.7 billion in sales, followed by Japan with \$1.2 billion in sales. Sales to both Mexico and the Philippines have also increased significantly year over year, putting these countries in the top 5.

2021 TOP EXPORT MARKETS

COUNTRY	VALUE <i>(thousands)</i>	QUANTITY <i>(tonnes)</i>
United States	\$1,709,046	409,702
Japan	\$ 1,261,614	239,815
China	\$ 779,072	278,998
Mexico	\$ 394,329	192,179
Philippines	\$ 300,135	25,400

AFRICAN SWINE FEVER (ASF) ZONING

Zoning is an internationally-recognized tool used to help manage diseases and facilitate international trade. If a case of ASF is identified, geographic boundaries are defined to contain the outbreak. The area within these geographic boundaries form the Primary Control Zone(s) established in accordance with the World Organisation for Animal Health (OIE) guidelines. The areas outside of these Primary Control Zone(s) are considered disease-free zones.

Zoning arrangements have previously been established with the U.S., the EU, and Singapore. On October 6, 2021, Vietnam announced that it had agreed to an ASF zoning arrangement with Canada. Vietnam has agreed that restrictions on the import of Canadian pork would be limited to the Primary Control Zone(s) in the event of an ASF outbreak in Canada. This arrangement would serve to minimize trade impacts to the Canadian swine sector while protecting the swine populations in both countries.

Canada continues to negotiate zoning agreements with other trading partners, including Japan. Each new agreement is a positive step in Canada's prevention and preparedness efforts related to ASF.



PRODUCER SERVICES & ON-FARM PROGRAMS

CANADIAN QUALITY ASSURANCE (CQA®) AND CANADIAN PORK EXCELLENCE PigSAFE | PigCARE (PS|PC)

There are currently 147 registered units participating in the CQA® | ACA® / PigSAFE | PigCARE (PS|PC) programs, which include all hogs sold to federal slaughter plants from Saskatchewan. Producers are gradually transitioning to the Canadian Pork Excellence (CPE) PigSAFE | PigCARE (PS|PC) program with 67 farms on the program to date. CQA/ACA programs will phase out completely by January 2024.

The Canadian Ractopamine-Free Pork Certification Program continues.

TRACEABILITY

Sask Pork continues to provide support for PigTrace on behalf of the Canadian Pork Council for producers in Saskatchewan.

Sask Pork's primary responsibility is registering new producers, production units and slaughter plants, obtaining PIDs, creating PigTrace accounts, and assisting stakeholders with identifiers and tags. Sask Pork also assists producers and abattoirs as needed with movement reporting.

Producers reported 25,136 movement events involving 5.9 million individual animals. Sask Pork registered 45 new premises in 2021/22. Saskatchewan producers are to be commended for their active commitment and participation in this program.

TRANSPORT QUALITY ASSURANCE (TQA®)

Sask Pork held one in-person TQA certification session with 4 attendees plus an additional 66 through online training. Version 7 of the program was launched in May 2020, and continues to allow the option of online training for all trainees, including new ones.

FARM BIOSECURITY SIGNAGE

The farm biosecurity signage program that was made available to all registered farms (premises) since February 2019 ended on July 31st, 2022. The set of 3 signs for Controlled Access and Restricted Access Zones were provided at no charge with 12 farms ordering signage this past year ahead of the end of program.

ASSURANCE SYSTEM PRODUCER REBATE PROGRAM

The Saskatchewan Ministry of Agriculture's Assurance System Producer Program is a rebate program under the Canadian Agriculture Partnership, focusing on animal welfare for livestock producers and biosecurity for both plant and livestock producers. The program covers fifty per cent of eligible expenses to a maximum program payment of \$15,000 per operation.





SWINE HEALTH

PORCINE EPIDEMIC DIARRHEA PREPAREDNESS (PED)

Saskatchewan farms remained free of Porcine Epidemic Diarrhea (PED) in 2020/2021. On-farm, transport, and market biosecurity efforts by all stakeholders prevented the introduction of this costly disease.

Sask Pork organizes and administers a Porcine Epidemic Diarrhea Virus and Swine Delta Coronavirus Surveillance program (SDCoV). A registered veterinary technologist was contracted to collect samples at two primary high-traffic sites; a deadstock assembly site and an abattoir. Additional sites tested included feed mills, truck washes, and abattoirs, as well as some transport vehicles. 373 samples were submitted to Prairie Diagnostic Services for testing.

There is no evidence that either virus is present in swine in Saskatchewan at this time. Producers and transporters were reminded that high-traffic sites, such as auction markets, assembly yards, abattoirs, and scrape-out sites are potential sources of contamination. Following proper biosecurity practices remains imperative when delivering animals to high traffic sites. Contingency planning and funding are in place.

122 cases of PED were confirmed in Manitoba and one case was confirmed in Alberta.



PORCINE EPIDEMIC DIARRHEA (PED) RESEARCH

A prairie-wide collaborative study has been launched to determine if the virus in manure from infected lagoons is capable of causing disease or virus shedding in piglets. The study is being undertaken in Manitoba and Alberta, due to previous outbreaks in those provinces. For the first phase, samples were collected from Manitoba's infected lagoons at differing lengths of time and pump outs since initial PED infection and then exposing live pigs to the manure.

Results indicated that the lagoon manure did not contain the infectious virus. The trial was conducted in the biosafety containment level 3 facilities at Saskatoon's VIDO.

Sask Pork secured funding for its share of the project through the Ministry of Agriculture's Canadian Agricultural Partnership.

GROUP SOW HOUSING CONVERSIONS

To meet the needs of North American processors committed to sourcing pork exclusively from stall-free systems in the future, Canadian pork producers are transitioning to group sow housing.

Saskatchewan pork producers now have approximately 60,000 sows managed in groups (over 50% of Saskatchewan's herd). Several farms are either in the process of rebuilding/undergoing renovations or have committed to transition in the next couple of years. This complex transition process requires significant investment. The Canadian Pork Council (CPC) estimates that by 2024, around 60% of sows will be housed in group sow housing systems in Canada.

CANADA WEST SWINE HEALTH INTELLIGENCE NETWORK - CWSHIN

CWSHIN is a surveillance system embedded in an intelligent network that serves western swine producers, swine herd practitioners and provincial governments. It helps detect emerging swine health issues early and provides evidence of absence of federally reportable diseases to support international trade.

CWSHIN is funded by provincial governments and pork boards in Saskatchewan, Manitoba, Alberta and British Columbia. These organizations participate in the technical working group and provide technical and administrative support. CWSHIN receives data from veterinary practitioners, provincial diagnostic laboratories and federal abattoirs.

For the first time in history, CWSHIN's work was published in a peer-reviewed scientific journal (Preventive Veterinary Medicine).

The two projects under the 'Targeted Emerging Health Issue Investigation' that focused on ASF risk analysis and the lab investigation on Streptococcus were well received.

Other accomplishments of note:

- *Made improvements in epidemiologic analysis/reporting by providing a new guide to temporal trend surveillance (of syndromes) and new emerging health issues including unusual clinical presentations.

- *Saw an increase in veterinarian participation and engagement on quarterly calls

- *Development of a new 5-year plan for 2023- 2029 began in March 2022

The network communicates its findings through quarterly reports and CWSHIN news for swine veterinarians and producers and also via presentations at various conferences and face to face meetings. The reports are available at cwshin.ca.





CANADIAN SWINE TRAINING DEVELOPMENT PROJECT

This project is funded by the Agri Marketing Program under the Canadian Agricultural Partnership (CAP). Between CAP funding and Canadian Pork Council's contribution, \$1.6 million is available for training resource development between October 2019–March 2023.

The project is consolidating existing training tools and developing new resources and tools identified as priorities by the pork sector. Priorities, plans, and resources are reviewed by provincial pork development boards, including Sask Pork, pork producers, and veterinary representatives. The training resources are available to all Canadian pork producers.

Training material developed in 2021–2022 includes:

- 9 euthanasia videos
- 12 barn operations videos
- 9 PigSAFE|PigCARE animal-based measures videos

The biosecurity training videos and one of the euthanasia videos is available at cpc-ccp.com/training. The rest are available on the password-protected side of the CPC website.



WILD BOAR

Wild pigs are considered an invasive species in Saskatchewan. They damage property and have a serious impact on native plants and wild animals due to their feeding habits and reproductive capability. They also pose a threat to hog operations because they can carry diseases that can be transmitted to and from domestic herds, such as African swine fever.

In March 2022, the Government of Saskatchewan announced significant new measures aimed at controlling the wild boar population in the province. These measures include a moratorium on new wild boar farms, the classification of wild boar as a regulated pest, and increased funding for the provincial wild boar control program. Sask Pork commends the Ministry of Agriculture for these measures.

Sask Pork also operates the 1-833-PIG-SPOT hotline. Through this initiative, Sask Pork reported a total of 9 wild boar sightings to the provincial wild boar control program operated by Saskatchewan Crop Insurance in 2021/2022.

In 2021/2022, Sask Pork continued to collaborate with the Government of Saskatchewan to support an emergency use registration application for a novel feral swine bait, HOGGONE® meSN® to the Federal Pest Management Regulatory Agency (PMRA). HOGGONE® contains sodium nitrite which is an approved food preservative in low doses, but which kills pigs quickly when ingested. This product has been approved in Australia and is currently undergoing the EPA approval process in the U.S. It received emergency registration in Canada this year with trials planned for Winter 2022/2023.



AFRICAN SWINE FEVER

African swine fever continues to be at the forefront for foreign animal disease preparedness. Sask Pork, along with members of the Canadian Pork Council (CPC), Canadian Food Inspection Agency (CFIA), industry and government representatives continue to support the pillars: Prevention, Preparedness, Business Continuity and Risk of the ASF Pan-Canadian Action Plan.

BIOSECURITY BENCHMARK EVALUATIONS

In order to assess the current level of biosecurity on Canadian farms, the provincial pork organizations across Canada, including Sask Pork, are randomly selecting approximately 1,000 Canadian farms (31 from SK) of various production types for the voluntary completion of the Canadian Swine Biosecurity Benchmark. It will assess the level of biosecurity implemented on-farm from April 2022 to March 2023. The ability to demonstrate biosecurity levels on Canadian farms will benefit discussions with trading partners on rapid zoning for bilateral zoning agreements. Enabling rapid zoning agreements reduces both the risk of disease spread and the impact of trade disruptions in the event of ASF being detected in Canada.

SASK PORK MASS EUTHANASIA DISPOSAL GUIDE

Sask Pork and the Saskatchewan Ministry of Agriculture have been working with AHM to develop the Sask Pork Mass Euthanasia and Disposal Guide.

It will assist producers in planning for circumstances that significantly disrupt business operations and require euthanasia and disposal of their herd.

SOW PLANT CULL LINE

Construction of the Donald's Fine Foods new sow plant is expected to be complete in Spring 2023. To enhance Saskatchewan's capacity for a welfare cull, Sask Pork, in collaboration with Saskatchewan Ministry of Agriculture, has committed \$1 million to a cull line.

DIAGNOSTICS AND SURVEILLANCE

CanSpotASF, now in its second year, continues to enhance Canada's existing surveillance program, as well as the ability to quickly detect ASF. ASF-rule out testing can be initiated by CAHSN (Canadian Animal Health Surveillance Network), approved laboratories such as Prairie Diagnostic Services, and by herd practitioners.

Between April 1, 2021-March 31, 2022, 363 ASF tests were completed. All tests were negative. Of these, five were completed as part of CFIA investigations of suspect cases, and 358 were completed as part of Approved Laboratory Surveillance Testing.

Other key achievements for 2021-2022 included completion of the planning and engagement phase for risk-based testing of condemned carcasses at abattoirs and increased veterinary training to support veterinary services to small scale producers.





RESEARCH & INNOVATION

\$456,837

in funding for research & innovation



2.5¢/market hog & .5¢/weanling fund research at Swine Innovation Porc (SIP)



17 researchers in SK with swine projects underway

3 ongoing research projects funded by Sask Pork



Every \$1 from producer organizations is used to leverage an extra \$8 from other sources of funding at Swine Innovation Porc

8

projects being carried out at least partially in SK for SIP's Swine Cluster 3 research program

Core funding for Prairie Swine Centre's research pillars: practical & innovative initiatives, grad education, & knowledge transfer.



7 AMAZING THINGS YOU MADE POSSIBLE



Sask Pork is committed to funding research and innovation to continually improve the profitability and production of sustainably-raised, safe, high-quality pork. Primary research partnerships are with Prairie Swine Centre (PSC) and Swine Innovation Porc (SIP).

1

YOU ARE IMPROVING FEED SUSTAINABILITY TO MEET THE DEMANDS OF A GROWING WORLD

Researchers at Prairie Swine Centre, in collaboration with the Saskatchewan Pulse Growers, are comparing nutrients in locally-sourced peas, lentils, chickpeas, and faba beans with traditional swine feed. The focus on alternative sources of feed ingredients for livestock is critical for sustainability in meeting the nutrient demands of a growing world population.

2

YOU ARE HELPING SMALL SWINE PRODUCERS PREVENT DISEASE

Small scale producers will be able to lean on the research from a Prairie Swine Centre and Swine Innovation Porc survey study of small scale swine production biosecurity practices to prevent disease. Plus a new website is providing much-needed health and animal care information.

3

YOU ARE CREATING BETTER TRANSPORT TRAILERS FOR IMPROVED PIG WELFARE

Three new transport trailer designs are being studied to address knowledge gaps about hog transport welfare and the effects on meat quality, as well as to introduce new transportation technology for improved biosecurity. Short distance trial results indicate that advanced flat-deck trailer design provided a better microclimate for pigs, but the design improvements only slightly reduced stress in pigs during summer transit. Meanwhile, the trailer models can be used interchangeably in winter conditions.



4

YOU ARE EXPLORING ENVIRONMENTALLY SAFE SWINE DISPOSAL METHODS

In Saskatchewan, it is estimated that about 85% of the province has geology suitable for burial of deadstock without impacting groundwater. Above ground burial may be a suitable means of disposal on the remaining geologically sensitive sites, such as sandy sites with a shallow groundwater table. The intent of this project is to determine if above ground burial is a viable option for disposal of deadstock in the province, and to monitor decomposition and assess the movement of nutrients, if any, from the shallow disposal sites. The project is set to be completed in 2023.



5

YOU ARE IMPROVING BIOSECURITY IN ANTIBIOTIC-FREE PRODUCTION SYSTEMS

Maintaining high herd health status while minimizing antibiotic use is challenging. Prairie Swine Centre researchers have found alternative sanitization and disinfection measures like peracetic acid (PAA) and lightly acidic electrolyzed water (SAEW) are viable options. This offers extra tools to boost existing biosecurity protocols, particularly in antibiotic-free production systems.



6

YOU ARE USING TECHNOLOGY TO TELL THE STORY OF THE PORK INDUSTRY

The infrastructure for a "virtual pork interpretive gallery" has been installed at Prairie Swine Centre. The direct video access provides an innovative way to overcome the logistical and biosecurity considerations that limited public access in the past. The technology was also used to virtually highlight a hog barn to teachers across the province for an Agriculture In The Classroom Teacher Expedition.



7

YOU ARE REDUCING FEED COSTS IN POST-WEANING

With feed costs eating away at the bottom line for farmers, there is growing demand for knowledge on stretching feed dollars. Swine Innovation Porc is developing innovative strategies to reduce feed costs in post-weaning, while maintaining optimal performance and health.



Braised
Pork Belly



BBQ Pulled
Pork Pizza



Cheese
Stuffed Pork
Meatballs



CONSUMER PROMOTION

Under the PickPork Saskatchewan consumer brand, Sask Pork created 12 new made-in-Saskatchewan recipes

Roasted Pork
Leg with
Crackling



Cheesy
Pork
Quesadillas



Pick Pork
Nuggets



Asian
Pulled
Pork



Bacon
Caramel
Brownies



Mexican
Braised
Ribs



A top-down view of a white bowl filled with lentil and smoked ham soup. The soup contains yellow lentils, chunks of smoked ham, and some green herbs. The bowl is set on a wooden surface. A blue semi-transparent text box is overlaid on the right side of the image.

IN STORE RETAIL PROMOTION

Sask Pork, Alberta Pork, and Manitoba Pork teamed up with Canada Pork to bring the Thrill of the Grill to all 190 Save-On-Foods stores across western Canada with a pork recipe booklet. Over 13,000 copies were given away, including at all eight Saskatchewan Save-On-Foods locations in Saskatoon, Regina, Yorkton, and Prince Albert.

MEDIA PROMOTION

Sask Pork continues to highlight pork through Shaw TV Saskatchewan's "Cooked with Shack" television series hosted by radio personality Mark Loshack. Recipes developed on the program this year include:

- *Lentil & Smoked Ham Soup
- *Pork Wellington
- *Roasted Corn & Bacon Soup
- *Caramelized Onion & Mushroom Stuffed Pork Chops
- *BBQ Ribs with Smoky Cranberry Glaze

Saskatchewan pork recipes, including Mark Loshack's Stuffed Pork Tenderloin with Creamy Alfredo Sauce and Pick Pork Saskatchewan's Grilled Pork Belly Skewers were featured in cooking segments on CTV Morning Live Saskatoon and CTV Morning Live Regina. The segments also aired on CTV Prince Albert and CTV Yorkton.

Sask Pork was a sponsor of the 620 CKRM Spring Country Cookouts promotion, which gave listeners a chance to win a meal in the field to celebrate seeding. The meal, delivered right to the farmyard's of 8 winners across southern Saskatchewan, featured a catered buffet, beverages, prizes, and a live musical performance. Sask Pork also ran ads on Jim Smalley's Saskatchewan Agriculture Today on 620 CKRM in Regina and southern Saskatchewan and in the University of Saskatchewan's Veterinary Yearbook 2021-2022.

Pick Pork Saskatchewan and Sask Pork partnered with 96.3 Cruz FM and Saskatoon Co-op to give listeners "Free Food & Fuel." Every weekday, twice a day, 96.3 Cruz FM gave away a \$100 gift card to Saskatoon Co-op. All winners were automatically entered to win the grand prize of \$100 a week for a year.

LENTIL AND SMOKED HAM SOUP

Recipe created by Mark Loshack for "Cooked With Shack"



IN THE COMMUNITY

Sask Pork actively supports the communities in which members live and work.

As a provincial organization of food producers, Sask Pork was proud to support 4 charities across the province that work towards alleviating food insecurity. In collaboration with Drake Meats, Treen Meat, Country Choice Meats, and Star City Meats, Sask Pork made donations of \$14,105 fresh and frozen pork food to the Saskatoon Friendship Inn and Learning Centre and the food banks in Regina, Yorkton, and Prince Albert.

Prairie Meats and Sask Pork worked together to provide a meal of pulled pork, buns and salads to families staying at Ronald McDonald House in Saskatoon as well as families using the services of the Victoria Hospital in Prince Albert.

Sask Pork was a lead sponsor of Kansas City Barbeque Society's inaugural BBQ Supreme competition at Agribition, which featured the best grillers from across western Canada. Sask Pork was proud to sponsor Rhythm 'n Ribs in support of the Health Foundation of East Central Saskatchewan in Yorkton and participated in Ag in Motion, Saskatchewan Livestock Expo, and the Saskatchewan Outstanding Young Farmers Awards.

Featured Donations



Sask Pork donated \$1,000 in support of BC pork producers impacted by flooding



Sask Pork was a lead sponsor of Kansas-City BBQ Society's BBQ Supreme at Agribition



Locally-raised pork was featured at 4 tasting stations at the annual Saskatoon Zoo Foundation Gala



3 food banks & 1 free meal service organization received donations of pork



60 people staying at Ronald McDonald House in Sask received a meal of pulled pork



AG EDUCATION

Sask Pork's ag education program focused on both virtual and in-person events, including Agribition and school presentations for Canadian Ag Literacy Month.

"Consumer Cook Along" videos plus a feature article were created by cookbook author and home economist Emily Richards as well as chef Andrea Bucket. The three videos were promoted on both the Sask Pork social channels and Canadian Food Focus.

Sask Pork partnered with ChatterHigh, an online career resource program for middle and high school students on a new Ag Industry Collaboration Course.

Sask Pork supported Farm & Food Care Saskatchewan's Meals from the Farm, which offered online webinars to students with farmers and chefs about farming and cooking, including locally-sourced Saskatchewan bacon.

Work continued on the Ag Awareness Initiative Program (AAIP) Industry Awareness project. Delayed due to Covid, the Virtual Barn Tour will launch at Agribition 2022. Funding was also secured for a second project, The Whole Hog Youth Ambassador Program, which will put a youthful face on the pork sector while creating engaging educational material to help the public better understand the pork industry. The program is expected to launch in January 2023.

Ag Education Impact

3 "Consumer Cook Along" videos with celebrity Canadian cookbook authors

21 schools across 14 Sask school divisions use ChatterHigh

1 online "Pork from Farm to Table" cooking course on the Canadian Food Focus website

1700 copies of Sask Pork's new Pig Tales kids activity books handed out

900 students at 4 schools received a meal featuring Sask pork through Meals from the Farm



Cookbook author & home economist
Emily Richards
preparing Apple Sage
Stuffed Pork Tenderloin



SASKATCHEWAN PORK INDUSTRY SYMPOSIUM



SYMPOSIUM 2021

Saskatchewan Pork Industry Symposium 2021 continued as a virtual event for the second year in a row due to Covid 19. Dr. Dan Columbus was honoured with a Sask Pork Award of Distinction for Excellence in Production Research at the two day Zoom event.

Keynote speakers were Tina Varughese, named one of Canada's Top 10 Notable Speakers by Ignite Magazine, and livestock market analyst Kevin Grier. Additional guests included: Dr. Madonna Gemus-Benjamin from Michigan State University, Dr. Brett Ramirez from Iowa State University, and Dr. Jennifer Brown from Prairie Swine Centre.

13 # of speakers from 4 countries

222 attendees from 12 countries, 6 provinces, & 8 U.S. states

6,264 # of impressions made by 22 Symposium 2021 tweets

12 # of students who participated in the Grad Students Research Competition

1 Symposium 2021 was the #1 most visited page on the Sask Pork website

DIGITAL ENGAGEMENT

Sask Pork operates a Twitter page for producers/industry news and also focuses on consumer promotion under the banner of Pick Pork Saskatchewan on Twitter, Facebook, Instagram, Pinterest, and YouTube.

TOTAL SOCIAL MEDIA FOLLOWERS

 4,325

TOTAL SOCIAL MEDIA ENGAGEMENT

 530,243

TOTAL WEBSITE VIEWS

 49,015

TOP FACEBOOK POST OF THE YEAR



Cookbook author Sylvia Kong's Caesar Pork Burger cook-along video reached 92,225 people with 2,073 reactions, shares, & comments

TOP TWEET OF THE YEAR



Congratulating Saskatchewan Carley Camire on her 2nd place finish in the grad students competition at Banff Pork Seminar made 1,677 impressions

E-NEWSLETTERS

 26

e-newsletters sent to producers

PORK VEGETABLE BARLEY SOUP

saskpork.com's most
popular recipe of the year



saskpork.com

STATISTICS & TRENDS

SASKATCHEWAN INDEX 100 HOG PRICES

Global commodity markets continued their strong performance in 2021/2022, and the hog and feed markets were no exception. Significant global inflationary pressures, buoyed by the war in Ukraine as well as strong global demand for pork, helped sustain hog prices over the past year. However, the increase in feed prices experienced during 2021 due to the western Canadian drought and other global factors tempered profits as producers adjusted to historically high feed costs.

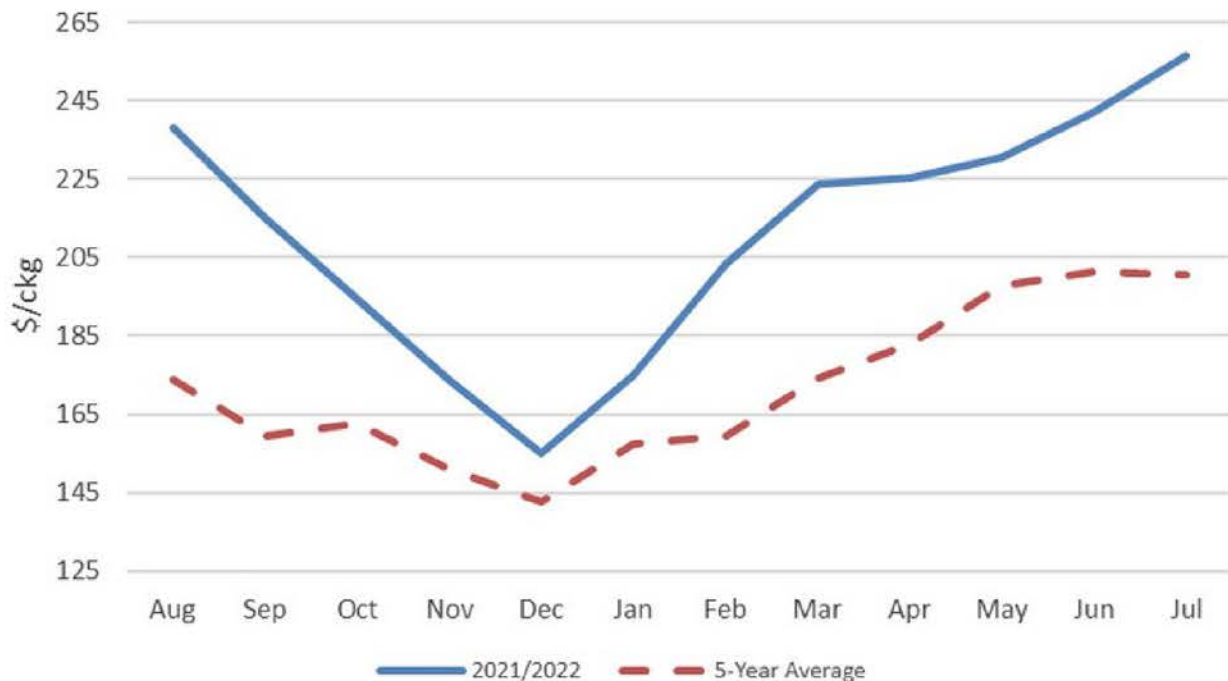
Between August 2021 and July 2022, index 100 hog prices averaged \$211.13/ckg, considerably higher than the same period last year, \$187.93/ckg and well above the 5-year average of \$169.72/ckg.

Prices during this period set a historical record, surpassing the high of \$193.34/ckg seen in 2014. However, when inflation is considered, past years such as 2014 and 2001 actually had a higher real price.

USDA 10-12 LB. FEEDER PIG PRICES

Prices for 10-12 lb. feeder pigs were also up substantially this year, influenced by the historically high hog markets in general and subsequent high demand for this class of animals. In 2021/2022, prices averaged US \$53.18/pig, an increase over last year's price of US \$43.46 and significantly over the 5-year average of US \$43.06/pig.

Saskatchewan Index 100 Hog Prices



Source: H@ms Marketing, ML Sig 4/BPTCP4 Index 100 price, does not include loin or other premiums

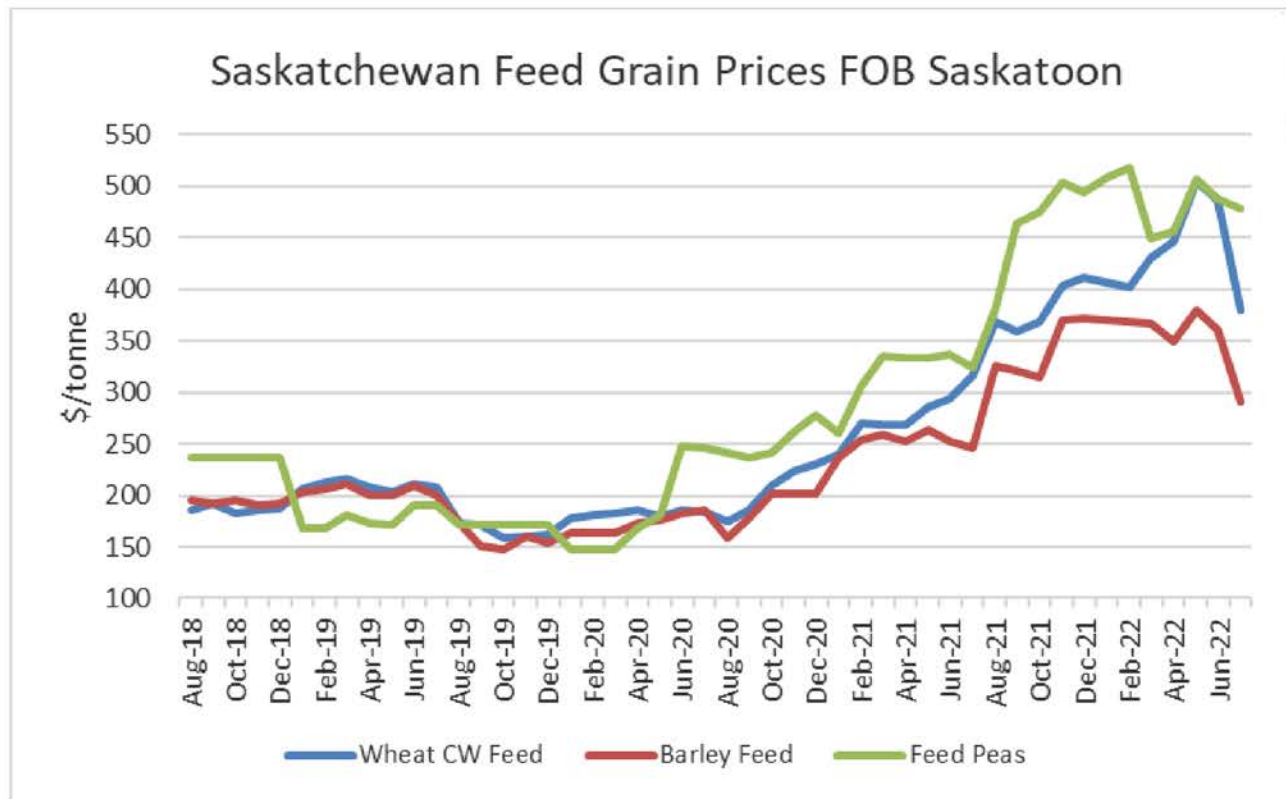


STATISTICS & TRENDS

SASKATCHEWAN FEED GRAIN PRICES

The drought in western Canada continued to have a profound impact on the industry this year. The Russian invasion of Ukraine, which further restricted a significant portion of wheat supplies available for export, also had an impact, and these factors resulted in extremely high local feed prices. Much of Saskatchewan's feed requirements were met through imported corn due to the drought and low supplies resulting from the 2020/2021 crop year.

Although 2021/2022 crop yields were generally improved over last year, dry conditions remained in pockets of the province, particularly in the west central and southwest regions. From August 2021 to July 2022, Saskatchewan feed wheat prices averaged \$413.87/tonne, an increase of 67% from last year. Feed barley prices averaged \$348.90/tonne (55% increase) and feed peas averaged \$476.86/tonne (64% increase). While the prospect of improved moisture conditions and yields did provide some relief during the summer of 2022, prices are expected to remain relatively high for the coming year.



Source: Saskatchewan Ministry Of Agriculture

* Note: Spot grain prices FOB Saskatoon.

Source: USDA-Agricultural Marketing Services, Market News



STATISTICS & TRENDS

SASKATCHEWAN PRODUCER PROFILE

In 2021, a total of 78 producers marketed hogs in the province, an increase of 4 from 2020. The majority Saskatchewan's hog production occurred on the province's 147 active CQA/CPE premises, a number that remained unchanged in 2022.

Sask Pork also continued to register new swine premises as part of our administrative commitment to the PigTrace program.

As of December 31, 2021, there were 364 non-CQA/CPE premises registered, an increase of 34 from the previous year.

Saskatchewan Producer Profile*

Number of Hogs Produced	Number of Producers				Number of Pigs Produced			
	2018	2019	2020	2021	2018	2019	2020	2021
<100	4	10	4	5	160	235	247	146
100-500	2	4	1	4	575	1,134	379	920
500-1000	3	1	1	1	2,047	906	806	896
1000-5000	5	2	5	3	11,490	5,154	15,605	7,642
5000-25000	48	50	48	50	559,878	574,778	588,165	621,434
25000-50000	6	7	6	6	188,405	235,572	176,350	185,715
>50000	9	8	9	9	1,522,189	1,488,625	1,493,434	1,522,777
Totals	77	82	74	78	2,284,744	2,306,404	2,274,986	2,339,530

Source: Saskatchewan Pork Development Board

*Note: These numbers are based upon levy data, and represent the number of producers or companies located in Saskatchewan that marketed hogs, not the number of production units or premises. As of December 31, 2021 there were 147 CQA/CPE registered premises in Saskatchewan and 364 non-CQA/CPE registered premises.



STATISTICS & TRENDS

PIGS SOLD IN SASKATCHEWAN

Saskatchewan producers marketed a total of 2,339,530 pigs in 2021. This is an increase of 64,544 animals from 2020. Market weight hog sales declined by 36,654 animals to approximately 1.8 million hogs, while sales of feeder pigs to the U.S. increased by approximately 83,000. Sow and breeding stock sales also increased slightly.

SOWS & GILTS IN CANADA

According to Statistics Canada, as of January 1, 2022 Saskatchewan's breeding herd numbered 122,000 sows and bred gilts. This is an increase of 7,100 animals from 2021. The Canadian herd declined by 5,900 sows, with the majority of the decline coming from Quebec and Ontario. The national breeding herd was comprised of 1.24 million sows and bred gilts as of January 1, 2022.

Number of Pigs Sold in Saskatchewan by Category

	Market Hogs	Sows and Breeding Stock	Feeder Pig/ Weanling Exports	Total Pigs Produced
2016	1,815,418	42,026	300,018	2,157,462
2017	1,790,020	48,634	357,785	2,196,439
2018	1,735,166	42,412	507,166	2,284,744
2019	1,756,138	36,062	514,204	2,306,404
2020	1,844,810	39,758	390,418	2,274,986
2021	1,808,156	57,560	473,814	2,339,530

Source: Saskatchewan Pork Development Board

Sows and Bred Gilts in Canada (1,000 Head, January 1st)

	BC	AB	SK	MB	West	ON	QC	ATL	East	Canada
2017	8.3	127.9	101.3	344.7	582.2	318.6	318.6	16.5	653.7	1,235.9
2018	8.8	127.4	101.7	343.8	581.7	317.6	317.6	24.0	659.2	1,240.9
2019	8.3	126.5	100.8	339.0	574.6	321.7	321.7	16.8	660.2	1,234.8
2020	7.9	126.0	110.5	341.0	585.4	318.9	318.9	10.2	648.0	1,233.4
2021	7.8	124.2	114.9	340.5	587.4	322.2	322.2	14.4	658.8	1,246.2
2022	7	124.5	122.0	338.4	591.9	317.6	317.6	13.2	648.4	1,240.3

Source: Statistics Canada, Table 32-10-0160-01



STATISTICS & TRENDS

HOGS MARKETED IN CANADA

The total number of pigs produced in Canada increased by over 600,000 animals in 2021. Eastern Canadian production increased by approximately half a million head and stands at 14.6 million pigs, while western Canada's production increased by approximately 100,000 pigs and sits at 14 million. Saskatchewan remains the 5th largest pork producing province in Canada behind Manitoba, Ontario, Quebec, and Alberta.

HOGS SLAUGHTERED IN CANADA

Total Canadian slaughter declined by 744,000 head, and totalled 21.8 million hogs in 2021. A significant plant shutdown in Quebec contributed to this decline. Saskatchewan's total slaughter also declined by approximately 10,000 head in 2021 to 325,700 hogs. According to Sask Pork's levy data, 259,472 hogs produced in Saskatchewan were slaughtered locally in the province. Of the remainder, 847,249 were transported to Alberta for slaughter, while 599,586 animals were slaughtered in Manitoba, and 27,685 were processed in British Columbia. Saskatchewan also exported 131,724 slaughter weight animals to the U.S.

Hogs Marketed in Canada by Province (1,000 Head)

	BC	AB	SK	MB	West	ON	QC	ATL	East	Canada
2016	194	2,947	2,221	7,806	13,169	7,008	6,589	325	13,922	27,090
2017	183	2,922	2,335	7,896	13,336	7,113	6,580	340	14,032	27,368
2018	195	2,746	2,302	7,730	12,973	7,047	6,500	341	13,888	26,860
2019	186	2,759	2,312	7,764	13,022	7,055	6,541	332	13,927	26,949
2020	189	2,916	2,499	8,259	13,864	7,252	6,600	311	14,163	28,027
2021	171	2,848	2,515	8,433	13,967	7,532	6,818	333	14,683	28,650

Source: Input Data from Statistics Canada Cansim Table 32-10-0200-01, calculated by Sask Pork

Calculation: Slaughter plus international and interprovincial exports, less international and interprovincial imports

Includes: Market hogs and Culled Sows, Weanlings, and Feeders

Number of Hogs Slaughtered in Canadian Federally and Provincially Inspected Plants

	BC	AB	SK	MB	West	ON	QC	ATL	East	Canada
2016	526	2,619	328	5,306	8,780	4,009	8,462	11	12,482	21,262
2017	517	2,597	340	5,402	8,857	4,058	8,667	11	12,736	21,593
2018	506	2,510	312	5,369	8,696	4,120	8,573	11	12,703	21,399
2019	499	2,474	328	5,526	8,827	4,379	8,463	9	12,852	21,678
2020	531	2,724	336	5,932	9,523	4,664	8,362	10	13,036	22,559
2021	491	2,656	326	6,033	9,506	4,624	7,674	11	12,309	21,814

Source: Agriculture and Agrifood Canada, Red Meat Market Information, Various Years

STATISTICS & TRENDS

CANADIAN EXPORTS TO THE U.S.

According to Agriculture and Agri-food Canada, approximately 5.1 million feeder pigs were exported from Canada to the United States in 2021, which was an increase of 15% from 2020. 1.55 million market weight hogs were also exported, representing a significant increase of 81% over the previous year. The majority of the increased exports were from Ontario, where reduced slaughter capacity in Quebec contributed to the necessity to export larger numbers of animals.

Canadian Live Hog Exports to U.S. (< 50 kg, '000 Head)

	AB	SK	MB	West	ON	QC	ATL	East	Canada
2016	566	364	2,821	3,752	915	4	66	985	4,737
2017	567	416	2,826	3,809	938	3	19	959	4,768
2018	388	484	2,739	3,611	853	2	32	886	4,498
2019	429	482	2,714	3,625	661	2	25	687	4,313
2020	407	442	2,973	3,822	589	19	1	609	4,431
2021	433	510	3,114	4,056	867	169	18	1,054	5,110

Source: Statistics Canada, Prepared by AAFC/MISB/AID/Market Information Section

Canadian Live Hog Exports to U.S. (>50 kg, '000 Head)

	AB	SK	MB	West	ON	QC	ATL	East	Canada
2016	148	17	329	494	409	15	3	426	919
2017	142	26	340	507	320	3	0	323	830
2018	129	17	314	460	290	1	0	291	751
2019	137	7	275	419	360	3	0	363	782
2020	128	5	255	389	466	1	0	467	856
2021	107	39	268	414	1,073	63	1	1,138	1,552

Source: Statistics Canada, Prepared by AAFC/MISB/AID/Market Information Section

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Sask Pork 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 Sask Pork'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 Chair. The Audit Chair is appointed by the Board and meets periodically with management and the producers' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Chair reports to the Board of Directors prior to its approval of the financial statements. The Audit Chair also considers, for review by the Board and approval by the producers, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the producers by Lingard + Dreger LLP, in accordance with Canadian accounting standards for not-for-profit organizations.



Management



Management



INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the Producers of Sask Pork

Qualified Opinion

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

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

Sask Pork collects a levy from Saskatchewan producers through buyers of pork, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of pork 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 Sask Pork and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

(continues)



INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report To the Producers of Sask Pork (*continued*)

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 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.

Lingard + Dreger

Chartered Professional Accountants

Saskatoon, Saskatchewan
October 5, 2022

SASK PORK
Statement of Financial Position
As at July 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 2,045,269	\$ 1,690,806
Short-term investments (Note 3)	-	21,500
Restricted investments (Note 3)	-	1,000,000
Accounts receivable (Note 4)	212,566	188,877
Prepaid expenses	28,657	25,812
	2,286,492	2,926,995
TANGIBLE CAPITAL ASSETS (Note 5)	4,401	-
LONG-TERM INVESTMENTS (Note 3)	43,462	
RESTRICTED INVESTMENTS (Note 3)	1,000,000	-
	\$ 3,334,355	\$ 2,926,995
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 680,384	\$ 163,343
Deferred contributions and revenue (Note 8)	88,991	106,425
	769,375	269,768
NET ASSETS		
UNRESTRICTED	1,564,980	1,657,227
INTERNALLY RESTRICTED	1,000,000	1,000,000
	2,564,980	2,657,227
	\$ 3,334,355	\$ 2,926,995

COMMITMENTS (Note 7)

APPROVED ON BEHALF OF THE BOARD



Director



Director



SASK PORK
Statement of Operations
For the Year Ended July 31, 2022

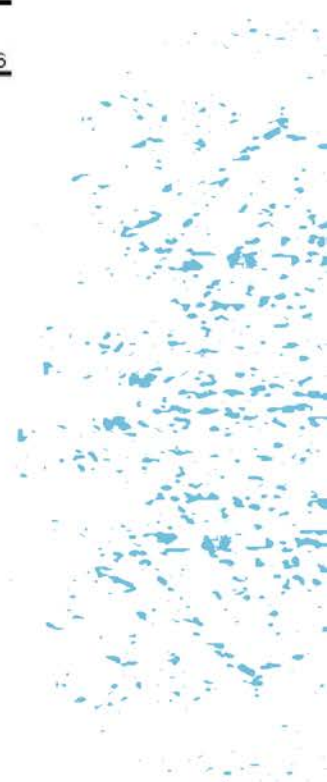
	Budget (Note 14) 2022	2022	2021
REVENUE			
Levy and export service charge	\$ 1,698,500	\$ 1,676,499	\$ 1,713,004
Government grants and project funding (Note 10)	181,500	859,996	57,247
Interest	31,900	46,646	31,625
Symposium fees	70,000	20,500	-
Other	-	2,367	10,679
Reimbursed travel	10,000	-	-
	1,991,900	2,606,008	1,812,555
EXPENSES			
Research, including Prairie Swine Centre (Note 1)	470,750	456,837	358,443
Salaries and wages	547,626	493,722	539,181
Industry association	323,950	315,411	324,324
Operations and office	124,435	118,769	111,853
Communications	154,750	108,183	119,351
Producer services	127,000	87,046	70,731
Organization development	46,785	36,315	35,029
Directors and committees	41,325	26,153	18,097
Symposium	116,025	19,816	11,862
Promotions	19,000	19,177	36,482
Travel (Schedule 1)	24,700	5,767	1,435
Policy and industry development	7,000	5,148	-
Amortization	-	2,200	-
Swine Market Disruption Plan	-	1,003,711	-
Reimbursed expenses	10,000	-	-
	2,013,346	2,698,255	1,626,788
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (21,446)	\$ (92,247)	\$ 185,767

SASK PORK
Statement of Changes in Net Assets
For the Year Ended July 31, 2022

	Unrestricted	Internally Restricted	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 1,657,227	\$ 1,000,000	\$ 2,657,227	\$ 2,471,460
Excess (deficiency) of revenue over expenses	(92,247)	-	(92,247)	185,767
NET ASSETS - END OF YEAR	\$ 1,564,980	\$ 1,000,000	\$ 2,564,980	\$ 2,657,227

SASK PORK
Statement of Cash Flows
For the Year Ended July 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ (92,247)	\$ 185,767
Item not affecting cash:		
Amortization of tangible capital assets	2,200	-
	(90,047)	185,767
Changes in non-cash working capital:		
Accounts receivable	(23,689)	(77,696)
Prepaid expenses	(2,845)	(9,898)
Accounts payable and accrued liabilities	517,040	18,839
Deferred contributions and revenue	(17,434)	47,529
	473,072	(21,226)
Cash flow from operating activities	383,025	164,541
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(6,601)	-
Purchase of investments	(1,043,462)	-
Disposal of investments	1,043,462	-
Reinvested interest	(21,961)	(21,500)
Cash flow used by investing activities	(28,562)	(21,500)
INCREASE IN CASH	354,463	143,041
CASH - BEGINNING OF YEAR	1,690,806	1,547,765
CASH - END OF YEAR	\$ 2,045,269	\$ 1,690,806
CASH CONSISTS OF:		
Cash	\$ 2,045,269	\$ 1,690,806



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

1. DESCRIPTION OF BUSINESS

Sask Pork is a producer managed organization operating programs and research for the development of the Saskatchewan pork industry and the promotion of hogs and pork produced in Saskatchewan. Sask Pork was established by the Pork Industry Development Plan Regulations pursuant to *The Agri-Food Act, 2004*. Sask Pork is subject to supervision by the Agri-Food Council members of which are appointed by the Government of the Province of Saskatchewan.

The Pork Industry Development Plan Regulations allow Sask Pork to set and collect non-refundable levies from any person engaged in the marketing of hogs in Saskatchewan. As of January 1, 2015 the hog levy is \$0.85 per hog, \$0.23 per hog for all hogs less than 100 lbs, and \$0.85 per hog on all breeding stock exported from Canada.

Sask Pork is exempt from income taxes in accordance with Section 149 of *The Income Tax Act*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were 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:

Financial instruments

The Organization 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 statement of operations in the period incurred.

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

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.

Short-term investments are composed of guaranteed investment certificates. Short-term investments qualify as cash equivalents when they are short-term, highly liquid investments, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Short-term investments subject to restrictions that prevent their use for current purposes are included in restricted investments.

Tangible capital assets

Tangible capital assets are stated at cost. Amortization is computed using the straight-line method at rates calculated to amortize the cost over their estimated useful lives at the following rates:

Computer equipment	3 years
Furniture and fixtures	3-5 years
Leasehold improvements	3 years

(continues)

SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Hog levy revenue is recognized using the accrual basis in conjunction with delivery of the producer's product.

Sask Pork follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. 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.

Recognition of grants related to capital assets is deferred to periods when the related capital assets are amortized.

Revenues for conference fees are recognized upon completion of the conference.

Interest revenue is recognized using the accrual basis of accounting on a time proportion basis.

Research funding expenses

Research funding expenses are recognized when projects are approved and the recipient has met eligibility criteria. Funds advanced to recipients prior to eligibility criteria being met are recorded as advances.

Contributions in-kind

Contributions in-kind are recorded at fair value for goods and services used in the normal course of operations that would otherwise have been purchased.

Measurement uncertainty

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 deferred contributions and revenue, and accruals for certain revenues and expenses.



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

3. INVESTMENTS

	Maturity	2022	Yield	2021
Short-term (restricted)				
Term deposit		\$ -		\$ 1,000,000
Short-term (unrestricted)				
Term deposit		-		21,500
Long-term (restricted)				
Term deposit	1-2 years	1,000,000	2.30%	-
Long-term (unrestricted)				
Term deposit	1-2 years	43,462	2.30%	-
		\$ 1,043,462		\$ 1,021,500

4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2022	2021
Levies receivable	\$ 174,716	\$ 166,119
Interest receivable	23,251	15,501
Grants receivable	11,089	7,257
Refundable deposit	3,510	-
	\$ 212,566	\$ 188,877

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 6,601	\$ 2,200	\$ 4,401	\$ -



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2022	2021
Trade payables	\$ 600,050	\$ 90,943
Payroll liabilities	30,658	14,850
Vacation payable	27,043	34,796
Accrued liabilities	11,854	12,360
Visa payable	6,892	6,722
GST payable	3,887	3,672
	\$ 680,384	\$ 163,343

7. COMMITMENTS

(a) Building lease:

Sask Pork is committed under a lease agreement for its premises at #2, 502 - 45th Street West. The agreement expires on October 31, 2022. However, subsequent to year-end a new lease was agreed that expires on October 31, 2025. The required minimum annual lease payments and common area expenses, based on the new lease terms, are as follows:

Year ending July 31:	
2023	\$ 66,543
2024	66,875
2025	66,875
2026	22,292

(b) Research:

Sask Pork has agreed to provide an annual contribution of \$302,500 to the Prairie Swine Centre. The annual contribution is provided for the core funding of Prairie Swine Centre. Sask Pork is also committed to providing annual contributions for other research projects. The minimum annual charges for these commitments are as follows:

Year ending July 31:	
2023	\$ 177,500
2024	65,000
2025	15,000
2026	15,000



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

8. DEFERRED CONTRIBUTIONS AND REVENUE

Sask Pork receives funding from the Saskatchewan Ministry of Agriculture to be held, administered and distributed in accordance with the related PEDv Surveillance Program funding agreement. The agreement provides funding for Sask Pork to organize and administer a PEDv surveillance program in the Saskatchewan swine industry.

Sask Pork receives funding from the Saskatchewan Ministry of Agriculture to be held, administered and distributed in accordance with the related Above Ground Burial Trial funding agreement. The agreement provides funding for Sask Pork to determine if above ground burial is a viable option for disposal of deadstock in Saskatchewan.

Sask Pork receives funding from the Saskatchewan Ministry of Agriculture to be held, administered and distributed in accordance with the related AMU Benchmarking funding agreement. The agreement provides funding for Sask Pork to administer a project to determine the extent of antimicrobial resistance associated with antimicrobial usage in food-producing animals.

	2022	2021
Deferred contributions and revenue, beginning of year	\$ 106,425	\$ 58,896
<i>Contributions and revenue received during the year:</i>		
PEDv Surveillance Program	50,000	50,000
Above Ground Burial Trial	41,480	47,520
Pork symposium	36,250	-
AMU benchmarking	40,000	-
<i>Less:</i>		
PEDv Surveillance Program expenses recognized as producer services expenses	(67,808)	(49,347)
Above Ground Burial Trial expenses recognized as research expenses	(88,356)	(644)
Pork symposium revenue	(20,500)	-
Pork symposium refunds	(8,500)	-
Deferred contributions and revenue, end of year	88,991	106,425

The deferred contributions and revenue relates to the following:

	2022	2021
PEDv Surveillance Program	\$ 41,741	\$ 59,549
Above Ground Burial Trial	-	46,876
AMU benchmarking	40,000	-
Pork symposium	7,250	-
	\$ 88,991	\$ 106,425

9. INTERNALLY RESTRICTED NET ASSETS

Sask Pork's Board of Directors have internally restricted net assets of \$1,000,000 as a reserve for future operating expenses.



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

10. GOVERNMENT GRANTS AND PROJECT FUNDING

	2022	2021
Swine Market Disruption Plan	\$ 700,000	\$ -
Above Ground Burial Trial	88,356	644
PEDv surveillance	67,808	49,346
Public Trust Project	3,832	7,257
	\$ 859,996	\$ 57,247

11. RESEARCH EXPENSE

The research expense consists of the following:

	2022	2021
Prairie Swine Centre Inc.	\$ 302,500	\$ 302,500
Above Ground Burial Trial	102,522	644
Canadian Swine Research & Development Cluster -Swine Innovation fund	46,815	48,299
Space Allowance During Transport	5,000	5,000
Survey Study of Small Producers	-	2,000
	\$ 456,837	\$ 358,443

12. FINANCIAL INSTRUMENTS

Sask Pork as part of its operations carried a number of financial instruments. It is management's opinion that Sask Pork is not exposed to significant interest, currency or credit risks arising from these financial instruments unless otherwise disclosed.

Credit concentration

As at July 31, 2022, four customers accounted for 70.73% (2021 - 71.84%) of levies receivable, representing Sask Pork's maximum credit risk exposure. Sask Pork 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.

Interest rate risk

Interest rate risk is the risk that the value of the financial instrument might be adversely affected by a change in 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. Sask Pork is exposed to interest rate risk on its investments.

(continues)



SASK PORK
Notes to the Financial Statements
For the Year Ended July 31, 2022

12. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is the risk that Sask Pork will encounter difficulty in meeting obligations associated with financial liabilities. Sask Pork enters into transactions to purchase goods and services on credit and lease office equipment and office space from creditors, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing Sask Pork's future net cash flow for the possibility of a negative cash flow. Sask Pork manages liquidity risk resulting from accounts payable and accrued liabilities by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.

13. CAPITAL MANAGEMENT

Sask Pork has no formal capital management policy however the Board of Directors conducts an annual budgeting and strategic planning meeting. Sask Pork has no externally imposed capital requirements.

14. BUDGET

The budget presented is unaudited. The budget for 2021/2022 was approved by the Board of Directors on June 17, 2021.

15. COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Sask Pork is following health advisories and mandatory requirements from local, provincial and national health, and government organizations. Sask Pork has made operational changes to the business in response to the operating environment including utilizing government subsidies and assistance. The ultimate long-term financial impact on Sask Pork is unknown, but may be significant.

SASK PORK
Schedule of Travel Expenses **(Schedule 1)**
For the Year Ended July 31, 2022

	Budget (Note 14) 2022	2022	2021
Communications	\$ 1,500	\$ 1,782	\$ -
Industry association	4,500	-	-
Organizational development	7,000	1,120	923
Policy and industry development	5,000	509	512
Producer services	5,200	2,356	-
Promotions	1,500	-	-
	\$ 24,700	\$ 5,767	\$ 1,435

Payee List **(Schedule 2)**

The Agri-Food Council requires Sask Pork to disclose in their annual report significant payments made over the course of the year. Payments in excess of \$35,000 made to a single organization are as follows:

502 on 45th Trade Centre	\$ 66,508
University of Saskatchewan	\$ 104,009
Prairie Swine Centre	\$ 287,500
Canadian Pork Council	\$ 338,226
Donald's Fine Foods	\$ 1,000,000

SASK PORK
Research Projects Funded from Hog Levy
For the Year Ended July 31, 2022

(Schedule 3)

Project Name	Researchers	2021-2022 Funding
F. Mendard - Space Allowance During Transport	Gilles Lacombe Benoit Laplante	\$ 5,000
Prairie Swine Centre Inc.	Various	302,500
Swine Innovation Porc	Various	42,290
		\$ 349,790

Directors' Remuneration
For the Year Ended July 31, 2022

(Schedule 4)

Directors are compensated for the time contributed to the Organization and are reimbursed for mileage and expenses incurred while on corporate business during the course of the year. The following chart breaks down payments made for service for the period of August 1, 2021 - July 31, 2022:

	Per Diem	Expenses	Total
Directors			
Casey Smit	\$ 4,175 *	\$ 114	\$ 4,289
Dickson Gould	900	-	900
Jason Hofer	2,138	1,991	4,129
Jay McGrath	2,175 ***	-	2,175
John Beckton	1,463	20	1,483
Toby Tschetter	8,425 **	4,175	12,600
	19,276	6,300	25,576
Other payments	-	577 ****	577
Directors total	\$ 19,276	\$ 6,877	\$ 26,153

* Included in the per diem is a monthly honorarium of \$600 paid to the Chairman (5 months)

** Included in the per diem is a monthly honorarium of \$150 paid to the Vice-Chair (5 months) as well as monthly honorarium of \$600 paid to the Chairman (7 months)

*** Included in the per diem is a monthly honorarium of \$150 paid to the Vice-Chair (7 months)

**** Payments made to facilitate meetings



INDEPENDENT AUDITOR'S REPORT



Max Lingard
B. Comm., MPAcc., CPA, CA
max.l@lingarddreger.ca

Brenden Dreger
CPA
brenden.d@lingarddreger.ca

Larry Saffinuk
B. Comm., CPA, CA
larry.s@lingarddreger.ca

INDEPENDENT AUDITORS' REPORT

To Saskatchewan Pork Producers:

We have audited Sask Pork's control as of July 31, 2022 to express an opinion as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- (2) To prepare reliable financial statements.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

Management's Responsibility

The Organization's management is responsible for maintaining effective control over the objectives stated above.

Auditors' Responsibility

Our responsibility is to express an opinion based on our audit as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- (2) To prepare reliable financial statements.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

We used the control framework developed by The Chartered Professional Accountants of Canada ("CPA Canada") to make our judgments about the effectiveness of Sask Pork's control. We did not audit certain aspects of control concerning the effectiveness, economy and efficiency of certain management decision-making processes.

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INDEPENDENT AUDITOR'S REPORT



Max Lingard
B. Comm., MPAcc., CPA, CA
max.l@lingarddreger.ca

Brenden Dreger
CPA
brenden.d@lingarddreger.ca

Larry Safinuk
B. Comm., CPA, CA
larry.s@lingarddreger.ca

INDEPENDENT AUDITORS' REPORT

To Saskatchewan Pork Producers:

(continued from previous page)

The CPA Canada defines controls as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CPA Canada Handbook - Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance as to effectiveness of Sask Pork's control related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

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

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, and not absolute assurance, the objectives referred to above may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

Opinion

In our opinion, based on the limitations noted above, Sask Pork's control was effective, in all material respects, to meet the objectives stated above as of July 31, 2022, based on the CPA Canada criteria of control framework.

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of Sask Pork, which comprise the statement of financial position as at July 31, 2022, and the statements of operations, change in net assets, cash flows, and schedule of travel expenses for the year then ended, and a summary of significant accounting policies and other explanatory information. We have issued our report dated October 5, 2022 which is the same date as the date of the report on the effectiveness of internal controls.

Saskatoon, Saskatchewan
October 5, 2022

Lingard + Dreger

Chartered Professional Accountants



INDEPENDENT AUDITOR'S REPORT



Max Lingard
B. Comm., MPAcc., CPA, CA
max.l@lingarddreger.ca

Brenden Dreger
CPA
brenden.d@lingarddreger.ca

Larry Safinuk
B. Comm., CPA, CA
larry.s@lingarddreger.ca

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE

To Saskatchewan Pork Producers:

We have undertaken a reasonable assurance engagement of Sask Pork's compliance during the period August 1, 2021 to July 31, 2022, with the provisions of the following legislative and related authorities ("the Agreements") pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities.

- The Agri-Food Act, 2004
- The Agri-Food Regulations, 2004
- The Pork Industry Development Plan Regulations, 2013

Management's Responsibility

Management is responsible for Sask Pork's compliance with the specified requirements of the Agreements. Management is also responsible for such internal control as management determines necessary to enable Sask Pork's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Sask Pork's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagements 3531, *Direct Engagements to Report on Compliance*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements.

The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

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INDEPENDENT AUDITOR'S REPORT



Max Lingard
B. Comm., MPAcc., CPA, CA
max.l@lingarddreger.ca

Brenden Dreger
CPA
brenden.d@lingarddreger.ca

Larry Safinuk
B. Comm., CPA, CA
larry.s@lingarddreger.ca

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE

To Saskatchewan Pork Producers:

(continued from previous page)

Our Independence and Quality Control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentially and professional behaviour.

The firm applies the Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, Sask Pork has complied with the specified requirements established in the Agreements during the period of August 1, 2021 to July 31, 2022, in all significant respects. We do not provide a legal opinion on Sask Pork's compliance with the specified requirements.

Saskatoon, Saskatchewan
October 5, 2022

Lingard + Dreger

Chartered Professional Accountants





2-502 45th Street West
Saskatoon, SK. S7L 6H2

Ph: 306-244-7752

Fax: 306-244-1712

info@saskpork.com

saskpork.com

