



# Saskatchewan Beekeepers Development Commission

Box 22083 RPO Wildwood, Saskatoon, SK. S7H 5P1 (306) 71 5-4281  
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## **Fiscal Year 2016 SBDC Annual Report**

1. SBDC AGM Minutes for Year 2015
2. Board of Directors
3. List of Attendees
4. President's Report Simon Lalonde (general activities and state of the industry Report)
5. Reporting Standards Certification (signed by Sara Comerford Audit Chair)
6. Audited 2016 Financial Statements (includes Legislative Compliance Report)
7. 2017 Transition Year and 2018 Budgets Approved by the Membership
8. 2016 Board Expenses – Detailed
9. 2016 Payee List – Disclosure of 2016 SBDC payments over \$1000.00

## SBDC Annual General Meeting Minutes (for FY2015)

Tuesday, March 1, 2016, 9:45 a.m.  
Best Western Royal Hotel, Saskatoon, SK

1. **Call to Order:** Simon Lalonde, 9:58 a.m. (*see attached list for attendees*)

2. **Approval of the Agenda**

There were no changes to the agenda requested.

**Motion 1: Gerry Moyer/Jorden Proctor:** To approve the agenda as presented. CARRIED.

3. **Approval of Minutes**

Simon explained that the SBDC AGM's were unable to make quorum in both 2013 and 2014. Today, quorum is achieved; Simon thanked everyone for attending. Both 2013 and 2014 minutes were not approved by the members. Simon asked the members if they would like to review each of the three AGM minutes as well as the October 30 Special Members' meeting minutes at the meeting and how the members would like to approach approval of AGM meeting minutes.

**Motion 2: Neil Specht/Tim Wendell:** For the 2013 and 2014 AGM and October 30 Special Members' meeting minutes to be distributed by email (or hard copy if no email) to each member post each member meeting. This will be sufficient for member information; members will contact the Board if they have any problems with the minute record. CARRIED.

**Motion 3: Neil Specht/Sara Comerford:** To approve the 2015 SBDC AGM minutes as presented. CARRIED.

*It was noted that Calvin Parsons was missing from the list of attendees for the 2015 SBDC AGM. Post meeting note: This was due to no signature received by Calvin on the attendee list. These minutes recognize Calvin Parsons as having attended the 2015 SBDC AGM.*

4. **Business Arising from the Minutes:**

*Q from floor: Has the fee structure for the merged organization been finalized? A (Simon): We have not been able to finalize the entire plan yet, it is still a work in progress. The Boards plan to have a final plan to present at convention for members' approval/rejection.*

5. **President's Report**

Simon presented his report (a copy of the entire report is attached to the AGM meeting package). Highlights:

- Farewell to TAT team (Graham Parsons and Jessica Morris); job offers have been made to two new team members
- SBA/SBDC merger - proceeding with plans



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As per Beekeepers Development Plan, quorum for annual or special meeting is 20 registered beekeepers

- Finances - continue to explore ideas to generate income
- Research support; SBDC encourages small projects (by beekeepers) to promote Saskatchewan information gathering and dissemination

## 6. Nomination results

Simon reported the results of the call for the December 2015 nomination. There were two positions up for nomination (Barry Brown and Joe Edwards/Dave Gane), and two nominations were received: Dave Gane and Sara Comerford. Dave served on the Board in 2015, filling the position vacated with Joe Edwards' resignation. Sara is new to the Board for 2016. Simon welcomes both to the Board. Simon also thanks out-going Board member Barry Brown for his dedication to the Board.

## 7. New Business - none

## 8. Financial and Annual Report

Simon presented the 2015 Audited Financial Statements. Questions and discussion:

- *Comment from floor: There is a lot of money going to the Saskatraz project. What happened to the income we used to get from Saskatraz? Others: We used to get income from Saskatraz queen sales, but don't anymore. A (Simon and Board): We receive no money from the Saskatraz project. A (from the floor): The income received from the queens and cells was done at the beginning of the project but was not collected in the last number of years. The initial funding to the Saskatraz project was not meant to run for eternity. We are into the third year of the three-year project commitment, and SBDC support will be reviewed again after that.*
- *Comment from floor: We have received no reports from Saskatraz yet. A (Board): The reporting for Saskatraz is done at conventions and other events. However, the question we must look at is what kind of practical application we can draw from projects we support.*
- *Comment from floor: Information is posted on the Saskatraz website.*
- *There is an increase in check-off refunds for 2015; has the Board developed a plan to prevent check off refund requests? A (Simon): The Board has discussed how to maximize income received, and that would include the need to convince producers of the value of the SBDC and encourage them to leave their check-offs with the Commission.*
- *Comment from floor: Regarding research support and ideas for research projects - there will always be some who criticize the projects being supported, but will not bring their ideas for projects to the Commission. I encourage members to bring concerns to the SBDC Board. There are good projects being supported, for instance, the TAT team queen cell project provided valuable information. A (Simon): The SBA projects SBDC supported were specifically focused on member feedback, and we've put the call out for input for future projects.*

**Motion 4: Sara Comerford/Cameron Brown:** To accept the 2015 SBDC audited Financial Statements as presented. CARRIED.



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Simon presented the budget line by line. Questions arising from the budget:

- *Q from floor: Have you determined the possible costs of the merger? A (Simon): We have not set anything aside for legal counsel, as the Board currently feels such an expense would be prohibitive; SBA has obtained an IODF grant to assist with financial and organizational planning for the merger.*
- *Q from floor: Are you receiving sufficient counsel from AAFC/AFC? A (Simon): We have asked AFC for advice regarding the merger process, but they are unable to provide legal counsel. We will, however, be meeting with AFC and presenting our final plan to them for their comment and feedback.*
- *Comment from floor: The research support represents 30% of the total SBDC income, but we're not receiving "bang for our buck". A (Simon): Again, we are at the last year of our three year commitment and will review any future support before committing.*

**Motion 5: Neil Specht/Murray Hannigan:** To approve the 2015 SBDC budget as presented.  
**CARRIED.**

## 9. Audit requirements

### a. Appointment of Board Audit Chair for 2016

Simon explained that AFC has advised SBDC that it is no longer required for SBDC members to appoint the audit chair; that responsibility is now left to the Board, as they are in the best position to determine who would be best for that job.

### b. Notification of Appointment of Auditing Accountant

Because of the lack of quorum at the past AGM's, AFC appointed the auditor for both 2015 and 2016. Accountant Mandy Price, Collins Barrow will be the 2016 auditing accountant for SBDC.

### c. Board travel expense rates

There will be no change to the expense rates for 2016.

## 10. Open Floor for Members

- *Comment from floor: There is an SBDC Board member who has missed many meetings. The Plan states the Board member's position then becomes vacant. Whether or not he has been excused by the Board, I want this issue put to the floor; this Board member has missed three consecutive AGM's.*
- *Discussion followed regarding the term "excused", reasons for absence, etc. General consensus amongst members: they wished to provide direction to remove the Board member.*

Simon called for a resolution committee to be formed (Calvin Parsons, Mark Knox, Tim Wendell), and called for a short break to give the committee time to draft the wording for the resolution.

*Break: 11:10 - 11:31 a.m.*



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## **RESOLUTION: Calvin Parsons/Tim Wendell:**

**Whereas** as per Beekeepers Development Plan Regulations Part VII Elections, Terms of Office/Vacancy, 35/(6)C Office of director becomes vacant if a director: (c) is absent from two consecutive meetings of the Commission without being excused by a resolution of the Commission. Be it resolved that the membership demands the Board enforces this regulation. And further

**Whereas** it is essential that directors attend all Board meetings and

**Whereas** it is absolutely necessary that Directors attend the AGM to convey Board issues to the membership.

**BE IT RESOLVED:** that the Directors that miss both consecutive and/or multiple Board meetings as well as the AGM's, that the membership demand to the Board that such Directors be asked to step down.

### Discussion:

- *The Board has the responsibility to follow up on these situations.*
- *This issue is part of the Act.*
- *As members, we do not feel represented by this Board member. The Board's responsibility is to affect the intent of the Plan.*
- *Why are we bringing the regulations into the motion? The Board did not follow through with the intent of the regulations (regarding dealing with the absence at the Board table); that should be what we are addressing.*
- *The reason we are addressing it this way is to ensure it doesn't happen again.*
- *This demand is coming from the membership; it relieves pressure on the Board.*
- *We need two motions; one specific to this issue, and a second one to ensure general adherence.*

Following discussion, Simon called for the members' votes. 20 affirmative / none opposed.  
CARRIED.

- *Question from floor: Who will fill this term? A (Simon): As done in the past, the Board will ask for an informal list of nominees from the membership; if more than one name is received, the Board will select, by Board vote, a Board member from the informal list of nominees for the duration of the member's term.*
- *Comments from floor: This needs to be enforced now and in the future. We all value and appreciate the time and work done by the Board member in question; this is not done out of animosity. A (Board): The Board has received the members' message regarding following the rules going forward.*

Simon presented a power point presentation outlining the main features and structures of the proposed merged organization. General discussion followed the presentation. The Board has set a goal to present the final plan to the members at convention, and call for a vote for the merger.

## **11. Meeting Adjournment (Tim Wendell/Ian Eaton): 12:09 p.m.**



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## LIST OF ATTENDEES:

Dennis Glennie, 101034244 SK Ltd., Glory Bee Honey  
Eldon Janzen, 601359 SK Ltd.  
Ashley Gray, A&E Honey  
Alan Hildebrand, A&L Apiaries  
Leonard Proctor, Cornucopia Honey  
Ian Eaton  
Cameron Brown, Farmer Brown's Honey  
Murray Hannigan, Hannigan Honey  
Dan Wasylenchuk, Howland Enterprises  
Neil Specht, Janeil Ent., Sweetheart Pollinators  
Mark Knox, Knox Apiaries  
Simon Lalonde, Lalonde Honey Farms  
Gerry Moyen, Moyen Honey Farm  
Calvin Parsons  
Jordan Proctor  
Jake Berg, 101129967 SK Ltd.  
Stacey Zosel 10129962 SK Ltd.  
Trevor Rehaluk, Stinger Apiaries Ltd.  
Sara Comerford, Sun River Honey  
Dave Gane, Super Dave's Honey  
Megan Specht, Sweetheart Honey  
Rodney Barber, Thickwood Honey  
Tim Wendell, Wendell Honey  
Christopher Warriner, West Cowan Apiaries  
Yves Garez, Yves Garez Honey  
(25 registered producers)

## GUESTS:

Ryan Mulatz, Agri-Food Council, Industry Development Specialist  
Representative from Meadow Ridge Enterprises (did not receive voting token)  
Gil Pedersen, representative from Pedersen Apiaries (no letter of voting privileges was presented at AGM)

# SBA/SBDC MEMBERS MEETING

Convention Special Members meeting  
2:00 p.m., December 2, 2016  
Radisson Hotel - Saskatoon

## 1. Call to Order

Jake Berg & Simon Lalonde called the meeting to order at 2:10 p.m.

Chris Bartel and Tim Bartel acted as Scrutineers  
Tracy Biernacki-Dusza acted as a Returning Officer  
Yens Pederson Acted as Parliamentarian  
Ryan Mulatz and Corey Rudd in attendance from AFC

## 2. Approval of Agenda

Moved by Dani Glennie, seconded by Neil Specht. Carried.

## 3. Approval of December 5, 2015 members meeting minutes

Moved by Murray Hannagan, seconded by Jordon Proctor. Carried.

## 4. SBA President's Report

Jake Berg reported that the SBA's administrator (Pam Yule) had resigned. A new administrator has been hired (Linda Haggerty). She will be paid by the hour at a rate of \$20 / hour. Pam Yule will continue to do the "Cost of Production Survey" for 2017 and will continue to work as administrator for the current ADF project.

The Advanced Payment Program is being wrapped up. The Canola Growers Association will be running the program now. The APP records need to be kept for 7 years.

## 5. Temporary Foreign Worker Report

- The HUMA report, which provided a legislative review of the entire TFWP was submitted to Minister Mihychuk's office in the middle October. The Minister's office has 90 days to review and provide comment on those recommendations. Their review will likely be out for the end of January.
- The Canadian embassy in Guatemala has closed and been moved to Mexico. All paperwork for TFW's (not through SAWP), which used the embassy in Guatemala, (ie. Nicaraguans) will need to go through Mexico City.
- Changes to the TFWP:
  - As-of October 1 the TFWP is now using NOC 2011, not NOC 2006 like we are used to... this results in name changes to the positions as well as wage changes.
  - 2011 NOC codes:
    - NOC 8611 is the apiary harvester (no experience);
    - NOC 8431 is the former beekeeper technician;
    - NOC 8252 used to be 8251 and 8253 – in NOC 2006 these were 'technician jobs' and were eligible to apply through the nomination program to get permanent residency;



## SBA/SBDC MEMBERS MEETING

- If you are a beekeeper currently advertising to fill a NOC 8251 or 8253... these categories do not exist anymore
  - Do you need to re-advertise starting from the beginning?
  - Nothing either way from ESDC
  - Safe answer – YES
- NOC 8252 would be a position that you would need to use a job description as “Farm Foreman/woman” . . . this would be as generic and low-level as you can get in NOC 8252 for SINP nomination.
- There have been reports in the industry of beekeepers being audited by the program... much of the information being requested was previously required (advertising, LMIA, etc). Give the auditors what they want, you already have most/all of the information. As a part of the program, you are required to keep ALL records for a minimum of 6 years.
- The SAWP Program will require the SAWP to pay for/obtain their work Visa out of their pocket prior to the Mexican (or country of origin) embassy doing any work for them
  - \$155... some SAWP workers may indicate to employers they do not have this and be requesting a money transfer/advance;
- Discussion regarding the continued use (or, better term, discontinuing the use) of Simcoe for all applications – they would be processed by the call center \* This is very new information and we are still getting information about this.

### 6. CHC Report

- 2015 Canadian Statistics for the industry
  - 721,106 colonies in Canada
  - 8,533 beekeepers in Canada
  - 95 million pounds of honey produced
- The Bee Health Round Table discussion completed the BMP (Best management Practices) document for beekeepers
- Costco provided \$125,000 to honey bee research
- CHC sent delegates to Paris to attend the SIAL International Food Exhibition in an effort to break into the European market.
- The four in four out rule with the TFW program appear to be solved
- A new CHC app has been built. Add it to your phones!

### 7. Bear Fence Report

Andrew Hamilton reported there have been 18 claims so far this year amounting to \$23,000 claimed with \$19,000 being refunded.



## SBA/SBDC MEMBERS MEETING

### 8. Review of merger Details

Simon Lalonde reviewed the beekeeper plan and details of the proposed merger.

### 9. Resolutions

#### NOTICE TO MEMBERS OF SASKATCHEWAN BEEKEEPERS' ASSOCIATION ("SBA")

The Board of the Saskatchewan Beekeepers Association ("SBA") and the Board of the Saskatchewan Beekeepers Development Commission ("SBDC") have been discussing the possibility of merging the operations of the two organizations over the past two and one half years. The Boards of the SBA and SBDC are recommending that the operations of the SBA and SBDC be merged. After obtaining legal advice, the SBA and SBDC determined that the two organizations cannot be formally amalgamated (without substantial expensive complexity), and that the best way for a merger of operations to take place was to have the SBA cease actively operating and to retire the SBA. Accordingly, a formal resolution to proceed with the merger will be submitted for consideration at the annual convention on December 2, 2016.

**Any member is entitled to dissent pursuant to *The Non-Profit Corporations Act, 1995* and is entitled to be paid the fair value of his or her membership interest in accordance with section 177.**

#### SBA CONVENTION 2016 RESOLUTIONS

1. **BE IT RESOLVED:** that the Saskatchewan Beekeepers Association cease actively operating and transfer all its assets, liabilities and undertakings to the Saskatchewan Beekeepers Development Commission for \$1.00 with the understanding that the SBDC will carry on the activities, programs and the mandate previously carried on by the SBA.

Notwithstanding the inactivity of the SBA, the Board shall continue to maintain the SBA's legal existence by maintaining its registration at the Corporate Registry and the board of the Saskatchewan Beekeepers Development Commission will serve as the Board for the Saskatchewan Beekeepers Association for the purpose of filing annual returns with the government.

Moved by Tim Wendell and 2nd by Neil Specht

Carried 21 in favour 2 opposed 1 spoiled

#### 2. Motion to destroy SBA ballots

Gerry Moyen, Christopher Warriner

Carried unanimous



## SBA/SBDC MEMBERS MEETING

3. **BE IT RESOLVED:** that the transition board of the Saskatchewan Beekeepers Development Commission will serve as the SBA's board until the SBA has transferred its assets and undertakings to the Saskatchewan Beekeepers Development Commission, or until the next annual general meeting, whichever occurs first.

Moved by Murray Hannigan and 2nd by Tim Wendell

Carried unanimous

### SBDC CONVENTION 2016 RESOLUTIONS

1. **BE IT RESOLVED:** that the Saskatchewan Beekeepers Development Commission accept the transfer of the assets and undertakings of the Saskatchewan Beekeepers' Association and assume the liabilities of the Saskatchewan Beekeepers' Association. The Saskatchewan Beekeepers Development Commission shall continue to carry on the activities and programs previously carried on by the SBA.

Moved by Yves Garez and 2nd by Christopher Warriner

Carried: unanimous

2. **BE IT RESOLVED:** that the Saskatchewan Beekeepers Development Commission seeks to have the Government of Saskatchewan amend *The Beekeepers Development Plan Regulations* to authorize the SBDC to use the name "Saskatchewan Beekeepers Alliance".

Moved by Murray Hannigan and 2nd by Barry Brown

Carried unanimous

3. **BE IT RESOLVED:** that the remaining 2016 board members from the Saskatchewan Beekeepers Association shall be added as directors of the Saskatchewan Beekeepers Development Commission until the next annual convention.

Moved by Calvin Parsons and 2nd by Tim Wendell

Carried unanimous

4. **BE IT RESOLVED:** that the Saskatchewan Beekeepers Development Commission seeks to have the Government of Saskatchewan amend *The Beekeepers Development Plan Regulations* so that the commission may carry on the work previously done by the Saskatchewan Beekeepers Association.

Moved by Barry Brown and 2nd by Christopher Warriner

Carried unanimous



## SBA/SBDC MEMBERS MEETING

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5. **BE IT RESOLVED:** that the fiscal year for the commission be changed to Sept 1-August 31st.

Moved by Murray Hannigan and 2nd by Dave Gane

Carried unanimous

### Additional Resolutions – SBA meeting December 2, 2016

Whereas: our industry is losing over the counter access to antibiotics and  
Whereas: we continue to face increasing incidence of virus vectored by Varroa mites  
Therefore be it resolved: the SBA lobby the Saskatchewan government to cover 50% of the total cost associated with irradiation of bee equipment; including freight, labour etcetera for the irradiation process under the biosecurity initiative.

Moved: Tim Wendell  
Second: Otto Boettcher  
Carried

Whereas: protection of the health of our honey bees in Canada is imperative to our livelihood as beekeepers; and,

Whereas: the health of the USA bees continues to decline

Therefore be it resolved: That the SBA support the continuation of the border closure to packaged bees from the USA and that a resolution to continue the border closure be brought to the CHC AGM in January 2017

Moved: Calvin Parsons  
Second: Christopher Warriner  
Carried

Whereas current honey container labelling regulations do not address "Country of Origin" font size, and the consumer believes the "Grade "Canada No. 1 refers to country of origin  
Therefore be it resolved that the CHC rep lobby CHC to petition CFIA that country of origin font size be the same size and in the same location as the grade information

Moved: Rob Hamilton  
Second: Gil Pedersen  
Carried

**10. Adjournment**  
5:10 pm



## SBA/SBDC MEMBERS MEETING

### SBA Attending Members

A&L Apiaries (A Hildebrand)  
Cornucopia Honey  
Eaton, Ian  
Glennie, Dani  
Hamilton Apiaries  
Hamilton Honey Farm  
Hannigan Honey Inc.  
Howland Enterprises Inc.  
Lalonde Honey Farms  
Meadow Ridge Enterprises Ltd.  
Moyen Honey Farm Ltd.  
Parsons, Calvin  
Pedersen Apiaries Ltd.  
Pedersen Law Professional Corp.  
Proctor, Jorden M.  
Riverview Apiaries  
Silverfern Honey Farms Ltd.  
SJ Beez - Jake Berg 101129967 SK Ltd.  
SJ Beez - Stacey Zosel 101129962 SK Ltd.  
Stinger Apiaries Ltd.  
Sun River Honey Inc.  
Super Dave's Honey  
Ter-Ane Honey (Terry Allchurch)  
Wendell Honey  
West Cowan Apiaries  
Yves Garez Honey Inc.

### SBDC Attending Members

A&L Apiaries  
Bar2Bee Honey Ranch  
Cornucopia Honey  
Eaton, Ian  
Glennie, Dani  
Hamilton Honey Farm (Robert)  
Hannigan Honey Inc.  
Howland Enterprises Inc.  
Lalonde Honey Farms  
Meadow Ridge Ent.Ltd.  
Moyen Honey Farm Ltd.  
Parsons, Calvin  
Proctor, Jorden  
Riverview Apiaries (Otto Boettcher)  
Silver Fern Honey Farms Ltd.  
SJ Beez Berg (101129967 SK Ltd.)  
SJ Beez Zosel (101129962 SK Ltd.)  
Stinger Apiaries Ltd. (Trevor Rehaluk)  
Sun River Honey Inc.  
Super Dave's Honey  
Ter-Ane Honey (Terry Allchurch)  
Wendell Honey  
West Cowan Apiaries  
Yves Garez Honey Inc.



## 2017 BOARD OF DIRECTORS

President: Simon Lalonde (Portfolio: President, Finance Committee, Labour, TFW Representative)  
Box 42, Clavet, SK. S0K 1K0  
Email: [tonylalondesales@sasktel.net](mailto:tonylalondesales@sasktel.net)

Vice President: Jake Berg (Portfolio: Vice President & APAS Representative )  
Box 4031, Melfort, SK. S0E 1E0  
Cell: (306) 921-8360  
Email: [sjbeez@hotmail.com](mailto:sjbeez@hotmail.com)

Audit Chair: Sara Comerford (Portfolio: Audit Chair)  
Box 105, Grandora, SK. S0K 1V0  
Cell: (306) 329-4201  
Email: [sara@sunriverhoney.com](mailto:sara@sunriverhoney.com)

Director: Dani Glennie (Portfolio: CHC Representative)  
P.O. Box 844, Langenburg, SK. S0A 2A0  
Email: [dani\\_glennieh@msn.com](mailto:dani_glennieh@msn.com)

Director: Andrew Hamilton (Portfolio: Bear Fence Committee, Finance Committee, 2016 AGM Coordinator)  
P.O. Box 6A R.R. #1, Regina, SK.S4P 2Z1  
Phone: (306) 526-9277  
Email: [crazy\\_bee\\_man@hotmail.com](mailto:crazy_bee_man@hotmail.com)

Director: Dave Ganes (Portfolio: 2017 Convention Coordinator)  
Box 1013, Nipawin, SK. S0E 1E0  
Phone: (306) 862-4649  
Email: [superdaveshoney@gmail.com](mailto:superdaveshoney@gmail.com)

Danny Wasylenchuk ( 2017 Field Day Coordinator)  
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## List of Attendees

Simon Lalonde	Lalonde Honey Farms
Danny Wesylenchuk	
Sara Commerford	Sun River Honey
Andrew Hamilton	Hamilton Apiaries
Terry Allchurch	Ter-Ane Honey
Megan Specht	Sweetheart Honey
Neil Specht	Janeil Honey Inc
Murry Hannigan	Hannigan Honey Inc.
Christopher & Lorie Warriner	West Cowan Apiaries
Lester Martens	Golden West Ent. Ltd
Eldon Janzen	601359 Sask Ltd
Rod Barber	Thickwood Honey
Dani Glennie	
Wade Janzen	101039053 SK Ltd
Ian Eaton	
Dave Gane	
Jake Berg SJ Beez	101129967 SK LTD
Caivin Parson	
Cameron Brown	Farmer Browns Honey
Len Proctor	Cornucopia Honey



Saskatchewan Beekeepers Development Commission

President's Report – Simon Lalonde

State of the industry

March 1, 2017

Beekeeping in Saskatchewan in 2016 had highs and lows. Many hives came out of winter in very good condition and beekeepers were able to increase our provincial hive count by about 7%. In the spring of 2016 many beekeepers felt they had fairly good control of the varroa mite, and other diseases were limited both in occurrence and severity. Beekeepers were encouraged by the health of our hives which allowed for the increase in numbers. Many beekeepers reported higher mite levels than we would like to have seen in the fall of 2016 which we anticipate may lead to somewhat higher losses in spring 2017.

Honey production in 2016 was generally average to above average across the province and Saskatchewan produced at total honey crop in the top 3 based on quantity, likely a function of generally good honey producing weather, healthy bees and more hives. This helped contribute to a record honey production for all of Canada.

Honey prices were a much different story. Prices began to drop from about \$2.25/lb in summer of 2015 and gradually moved downwards into early 2016 around \$1.85/lb. Prices then dropped sharply into the summer of 2016 and seem to have bottomed out around \$1.10- \$1.15/lb. This is extremely discouraging to many beekeepers as we generally estimate our cost of production to be approximately \$1.30- \$1.50/lb. Many beekeepers indicated they can withstand one year of low prices, but there is a concern that remaining low will push some beekeepers out of business and limit growth in the industry. Generally, prices have started to rebound into the end of 2016 and are in the range of \$1.20- \$1.25/lb. Many anticipate the honey price to recover but it will likely be slow and highly dependent on the US, which is our biggest market.

Canadian domestic honey consumption accounts for only approximately 40 million pounds out of approximately 90 million pounds produced. In the last 2-3 years some honey packers in Canada have started importing larger volumes of cheaper Argentine and Chinese honey to blend with Canadian honey. This is leading to even greater volumes of Canadian honey needing to be exported because our domestic honey supply is being supplemented with foreign honey, and is one direct cause of our lower honey prices.

The greatest reason for the international decline in honey pricing is that much of the honey exported by China is suspected to be adulterated with various other sugars. A significant amount of honey is trans-shipped to the US to avoid US tariffs on honey (the US imports approximately 250 million pounds from other countries). Trans-shipping is when honey is shipped from one country (often with China as the origin) to a different country, relabelled with new country of origin paperwork, and then reshipped to the purchasing country, often the US. Some shipments travel to, and are relabelled in 2 different countries. Since the US is Canada's biggest export destination for Canadian honey, the low prices are forcing beekeepers to look to other markets for our product.



Hobbyist beekeepers are increasing greatly in number in Saskatchewan, especially in the Saskatoon and Regina areas. This is great for our industry as long as new beekeepers treat mites and other disease issues appropriately – this will help to keep all the bees in the province healthy. The SBA and SBDC are working closely with hobbyists by offering 2-day, hands-on beginner beekeeping course in Regina, Saskatoon and Prince Albert (in 2017). Board members also often attend meetings with the local bee clubs in Saskatoon and Regina.

The changes in medicating regulations from the world health organization (WHO) is expected to have a significant impact on all beekeepers, especially commercial beekeepers. Beekeepers will likely require a prescription to access antibiotics from a veterinarian organization that currently does not have an adequate understanding of the beekeeping industry. While commercial beekeepers will do what is required to keep their bees healthy, smaller beekeepers may not be as attentive to their hives. There is significant concern that this could lead to increased occurrences of disease, negatively impacting the commercial beekeeper.

Research activities included completion of a 3-year grant to the Saskatraz project and continued work on the 3-year ADF project. Support was provided for new research projects including research projects based out of the University of Saskatchewan and co-ordinated by Elemir Simcoe.

Funding was received through an IODF grant to conduct a Cost of Production study which is expected to cover 3 production years and up to 20 producers of various sizes. This will be important in the near future to show to government our current situation with low honey prices and to have updated, accurate information for our industry.

The labour situation in beekeeping had many producers concerned due to certain restrictions on temporary foreign workers entering Canada for seasonal work. Many producers are breathing a sigh of relief as, after 4 years of hard work, our biggest issue regarding the '4-in-4-out rule' was modified by the federal government to allow the agricultural industry to use temporary foreign workers in a seasonal position. This change came at a critical time as some workers would not have been able to return in 2017. This will allow beekeepers to continue to use workers who are familiar with their beekeeping operation and will greatly save in re-training costs and time investment in new workers.

In December 2016, at a special members meeting, the membership of the SBA and SBDC voted to merge into a single association, operated under AFC regulations as a Development Commission. The SBA and SBDC Boards have been working closely with AFC to ensure details of a merger are accurate. The SBDC is currently awaiting a final review from government agencies and are currently anticipating to begin as a single organization with a new fiscal year beginning in September 2017. This merger is an exciting time for our industry and we believe it will stream-line operations and allow us to complete even more work to benefit our members.



Simon Lalonde

President, Saskatchewan Beekeepers Development Commission

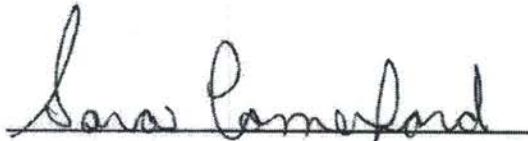


## Reporting Standards Certification

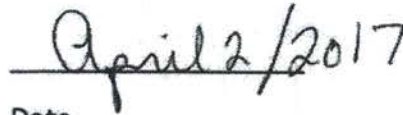
I, Sara Comerford, certify that the following required documents have been completed and are included with the Annual Report:

1. Financial Statements Audit Report
2. Internal Control Audit Report
3. Legislative Compliance Audit Report
4. Budget to Actual Comparison
5. Payee List

All Documentation will be submitted to the Agri-Food Council.



Sara Comerford, Audit Chair



Date

Saskatchewan Beekeepers Development Commission

(Agency – Development Commission, Development Board or Marketing Board)

**Saskatchewan Beekeeper's  
Development Commission**

**FINANCIAL STATEMENTS**

**Year Ended December 31, 2016**



**Saskatchewan Beekeeper's Development Commission**  
Dundurn, Saskatchewan  
December 31, 2016

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## Independent Auditors' Report

To the Board of Directors  
Saskatchewan Beekeeper's Development Commission

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Saskatchewan Beekeeper's Development Commission, which comprise the Statement of Financial Position as at December 31, 2016, and the Statements of Operations, Changes in Net Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Beekeeper's Development Commission as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Collins Barrow PQ LLP

*Collins Barrow PQ LLP*

Yorkton, SK  
February 28, 2017




# Saskatchewan Beekeeper's Development Commission

Dundum, Saskatchewan

Statement of Financial Position as at December 31, 2016

Assets	Operating Fund	ADF 20130111: Honey Bee Health Fund	2016 Total	2015 Total
<b>Current Assets</b>				
Cash and cash equivalents	123,086	96,638	219,724	109,440
Short-term investments	315,177		315,177	108,348
Accounts receivable	2,336		2,336	11,170
Interfund balances	( 10,316)	10,316		
Prepaid expenses	17,432	1,400	18,832	805
	<u>447,715</u>	<u>108,354</u>	<u>556,069</u>	<u>229,763</u>
<b>Long-Term Investments</b>				
Equity in co-operatives	1,252	0	1,252	0
<b>Capital Assets - note 5</b>				
	<u>40,297</u>	<u>0</u>	<u>40,297</u>	<u>26,568</u>
	<u>\$ 489,264</u>	<u>\$ 108,354</u>	<u>\$ 597,618</u>	<u>\$ 256,331</u>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities - note 6	37,363	59,070	96,433	35,076
Deferred revenue - note 7	180	49,284	49,464	1,500
	<u>37,543</u>	<u>108,354</u>	<u>145,897</u>	<u>36,576</u>
<b>Net Assets</b>				
Invested in capital assets	40,297		40,297	26,568
Internally-restricted net assets	50,000		50,000	50,000
Unrestricted net assets	361,424		361,424	143,187
	<u>451,721</u>	<u>0</u>	<u>451,721</u>	<u>219,755</u>
	<u>\$ 489,264</u>	<u>\$ 108,354</u>	<u>\$ 597,618</u>	<u>\$ 256,331</u>

Approved on behalf of the board:

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

## Saskatchewan Beekeeper's Development Commission

Statement of Changes in Net Assets  
For the year ended December 31, 2016

	Invested in Capital Assets	Internally- Restricted Net Assets	Unrestricted Net Assets	2016 Total	2015 Total
Balance, beginning of year	26,568	50,000	143,187	219,755	231,793
Excess (deficiency) of revenue over expenses for the year before contributions by SBA	( 2,763)		( 1,101)	( 3,864)	( 12,038)
Contributions by SBA - note 9	<u>16,492</u>		<u>219,338</u>	<u>235,830</u>	
Balance, end of year	<u>\$ 40,297</u>	<u>\$ 50,000</u>	<u>\$ 361,424</u>	<u>\$ 451,721</u>	<u>\$ 219,755</u>

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



# Saskatchewan Beekeeper's Development Commission

## Statement of Operations

For the year ended December 31, 2016

Revenue	Budget	2016	2015
Producer check-off fees	72,000	71,264	72,672
Less: Producer check-off refunds	<u>( 5,000)</u>	<u>( 7,936)</u>	<u>( 4,995)</u>
Registration fees	67,000	63,328	67,677
Investment income received	2,525	2,250	2,525
Investment income - unrealized gains (losses)	2,500	3,495	4,154
Truck lease income		5,797	( 4,766)
Other income and reimbursements	10,000	10,000	10,400
	<u>82,025</u>	<u>85,127</u>	<u>80,786</u>
<b>Expenses</b>			
Administrator's expenses	1,350	698	1,892
Administrator's fees	16,500	16,159	18,027
Amortization	2,250	2,763	2,763
Board of directors	5,450	8,269	3,525
Business and annual meetings	1,000	105	1,379
Election and nomination expenses	500		60
General and administration	850	401	1,003
Honey promotion brochures and pamphlets		2,282	137
Insurance	847	790	845
Member communications	1,500	788	1,399
Professional fees	4,500	4,936	4,689
Vehicle	1,900	1,215	1,212
Contributions and donations:			
Regina and District Bee Club	3,500	3,500	3,500
Ag in the Classroom	2,000	2,085	1,671
Projects and research:			
Productive Fall Colony Management Project			3,622
Saskatchewan Beekeeper's Association TAT project 20130111	20,000	20,000	20,000
Saskatraz ADF project 20130110	5,000	5,000	5,000
Saskatraz Toxicology research	20,000	20,000	20,000
University of Saskatchewan Imidacloprid Effects research			2,100
	<u>87,147</u>	<u>88,991</u>	<u>92,824</u>
<b>Excess (Deficiency) of Revenue Over Expenses Before Contributions from SBA</b>	<b>( 5,122)</b>	<b>( 3,864)</b>	<b>( 12,038)</b>
Contribution from SBA - capital - note 9	0	16,492	0
Contribution from SBA - general - note 9	<u>0</u>	<u>219,338</u>	<u>0</u>
<b>Excess (Deficiency) of Revenue Over Expenses for the Year</b>	<b><u>\$( 5,122)</u></b>	<b><u>\$ 231,966</u></b>	<b><u>\$( 12,038)</u></b>

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

# Saskatchewan Beekeeper's Development Commission

## Statement of Cash Flows

For the year ended December 31, 2016

	2016	2015
<b>Cash Provided By (Used In):</b>		
<b>Operations</b>		
Cash portion of net assets contributed by SBA - note 9	120,241	
Received from registered producers	65,578	69,102
Received from other sources	17,986	26
Paid to suppliers	( 28,521)	( 33,127)
Paid for research support or services	( 65,000)	( 30,721)
Investment income	3,495	4,154
	<u>113,779</u>	<u>9,434</u>
<b>Investing activities</b>		
Additions to short-term investments	( 3,495)	( 4,154)
<b>Net Cash Increase for the Year</b>	110,284	5,280
Cash position, beginning of year	<u>109,440</u>	<u>104,160</u>
<b>Cash Position, End of Year</b>	<u>\$ 219,724</u>	<u>\$ 109,440</u>
<b>Represented By:</b>		
Cash and cash equivalents	<u>\$ 219,724</u>	<u>\$ 109,440</u>

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



# Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements

For the year ended December 31, 2016

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## 1. Nature of Operations

The organization was established on March 24, 2006 under The Beekeepers Development Plan Regulations (the Regulations), under the authority of The Agri-Food Act, 2004. The purpose of the organization is to develop the bee and bee products industry in Saskatchewan by engaging in research and development projects intending to develop and improve market opportunities, production methods and product quality. The organization is not subject to income tax.

Immediately prior to year end, the organization purchased the assets and assumed the liabilities of the Saskatchewan Beekeepers' Association.

## 2. Significant Accounting Policies

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

### (a) Fund accounting

The accounts of the organization are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

#### (i) Operating fund

The operating fund reflects the primary operations of the organization, including net assets invested in capital assets.

#### (ii) ADF 20130111: Honey Bee Health fund

The organization oversees a project, ADF 20130111: Honey Bee Health, which is funded through a government grant contributed by the Saskatchewan Ministry of Agriculture and the Canada-Saskatchewan Growing Forward 2 bi-lateral agreement, and other industry sources.

### (b) Cash and cash equivalents

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

# Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements  
For the year ended December 31, 2016

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## 2. Significant Accounting Policies - continued

### (c) Capital assets

Tangible capital assets are recorded at cost less accumulated amortization.

The assets are amortized on a straight-line basis over their estimated service lives using the following rates:

Pierre the Bear	10 years
Storage container	15 years
Vehicle held for leasing	15 years
Display stand	2 years
Bee yard equipment	10 years

In the year of purchase or disposal, capital assets are amortized based on the number of months available for use.

The display stand and bee yard equipment were purchased from the Saskatchewan Beekeepers' Association immediately prior to year end. The purchase of these assets was measured at the carrying value. See note 9.

When a capital asset no longer has long-term service potential, the excess of its net carrying amount over its residual value is recognized as an expense in the statement of operations.

### (d) Revenue

Under the Regulations, each commercial beekeeper is required to pay the organization a \$25 registration fee, plus a check-off fee of \$1.00 per colony in production. Producers may request a refund for check-off fees paid in the year by submitting a written request between June 7 and June 30 of the calendar year to which the check-off fees apply.

Producer check-off fees and registration fees are recognized when they become receivable from the producers and collection is reasonably assured. Refunds are recognized as requested by producers.

Lease revenues are recognized monthly on an accrual basis as lease payments are receivable as per the lease contract.

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

Recoveries of historical expenses, including project contributions, are recognized when the organization is made aware of the ability to recover and the recoverable amount is estimable.



**Saskatchewan Beekeeper's Development Commission**

Notes to Financial Statements

For the year ended December 31, 2016

**2. Significant Accounting Policies - continued**

(e) Financial instruments

*Measurement of financial instruments*

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

The organization subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenses.

*Impairment*

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

(f) Estimates

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

Significant estimates have been made in relation to the following items:

- estimated useful service lives of capital assets
- deferred revenues of the ADF 20130111: Honey Bee Health fund, as the final determination of qualification of expenditures for grant purposes remains with the grantor

## Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements

For the year ended December 31, 2016

### 3. Risks Arising from Financial Instruments

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the reporting date:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization does not have a significant exposure to this risk.

(b) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

### 4. Short-Term Investments

Short-term investments consist of mutual funds. These investments are measured at fair value.

5. Capital Assets	2016	2015
Cost		
Pierre the Bear	4,150	4,150
Storage container	4,400	4,400
Vehicle held for leasing	30,818	30,818
Display stand	606	
Bee yard equipment	15,886	
	55,860	39,368
Accumulated amortization		
Pierre the Bear	3,528	3,113
Storage container	1,075	782
Vehicle held for leasing	10,960	8,905
	15,563	12,800
Net book value	\$ 40,297	\$ 26,568



**Saskatchewan Beekeeper's Development Commission**

Notes to Financial Statements

For the year ended December 31, 2016

**6. Accounts Payable and Accrued Liabilities** 2016 2015

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

*Operating fund*

Accounts payable	32,963	30,676
Accrued liabilities	<u>4,400</u>	<u>4,400</u>
<b>Total operating fund</b>	<b><u>\$ 37,363</u></b>	<b><u>\$ 35,076</u></b>

*ADF 20130111: Honey Bee Health fund*

Accounts payable	41,065	
Accrued liabilities	<u>18,005</u>	
<b>Total ADF 20130111: Honey Bee Health fund</b>	<b><u>\$ 59,070</u></b>	<b><u>\$ 0</u></b>

**7. Deferred Revenue**

*Operating fund*

	Balance, Beginning of Year	Less Amount Recognized	Plus Amounts Assumed from SBA	Balance, End of Year
Deferred lease payments	1,500	1,500		
Memberships			180	180
	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 180</u>	<u>\$ 180</u>

*ADF 20130111: Honey Bee Health fund*

	Balance, Beginning of Year	Less Amount Recognized	Plus Amounts Assumed from SBA	Balance, End of Year
Grant funding received in excess of amounts expended	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 49,284</u>	<u>\$ 49,284</u>

**8. Internally-Restricted Net Assets**

The organization has internally-restricted net assets in order to improve its ability to participate in projects requiring significant funding in future years as the opportunity arises. Management requires the Board of Directors' approval to use the funds from these restricted assets.

## Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements

For the year ended December 31, 2016

### 9. Transactions with Saskatchewan Beekeepers' Association

Included in these financial statements, are transactions with the board of directors and the Saskatchewan Beekeepers' Association (SBA). The SBDC is related by virtue of having a common board of directors and intended merger of operations. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

Certain transactions with the SBA are by virtue of a cost-sharing arrangement between the two organizations for costs relating to joint board meetings, office expenses and member communications. These transactions are recorded at the rates charged by the SBA, which are equal to the Saskatchewan Beekeeper's Development Commission's portion of the rates charged to the SBA by the third party suppliers.

The organization also provides financial support to projects administered by the Saskatchewan Beekeepers' Association, which are itemized in the Statement of Operations.

Immediately prior to year end, the Saskatchewan Beekeepers' Association sold all assets and liabilities to the SBDC for \$1. This transaction was measured at carrying value, as it is not in the normal course of operations. The carrying values of all assets and liabilities immediately prior to the sale were as follows:

	General Fund	Capital Fund	ADF 20130111 Honey Bee Health Fund
Cash	23,603		96,638
Accounts receivable	3,895		20,208
Prepaid expenses	16,528		2,900
Interfund balances	6,184		( 6,184)
Investments	198,789		
Capital assets		16,492	
Total assets transferred	248,999	16,492	113,562
Accounts payable and accrued liabilities	29,480		64,278
Deferred revenue	180		49,284
Total liabilities assumed	29,660	0	113,562
Net assets purchased from the SBA	219,339	16,492	0
Amount paid	( 1)	0	0
Net contribution from SBA	\$ 219,338	\$ 16,492	\$ 0



**Saskatchewan Beekeeper's Development Commission**

Notes to Financial Statements

For the year ended December 31, 2016

**9. Transactions with Saskatchewan Beekeepers' Association - continued**

Transactions with the SBA and related balances not otherwise itemized in these financial statements are as follows:

<b>Financial Statement Accounts</b>	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
Accounts receivable (SBA)	\$ 0	\$ 770
<b>Liabilities</b>		
Deferred revenue		1,500
<b>Revenue</b>		
Sale of books	257	
Truck lease	10,000	10,400
<b>Expenses</b>		
Board of Directors	1,473	298
Business and annual meetings		1,379
General and administration	118	1,790
Member communications	788	
Professional fees	646	
Vehicle	901	232
Ag in the Classroom	1,944	
Research projects	20,000	20,000

**10. Commitments**

In conjunction with the ADF 20130111: Honey Bee Health project, the organization has entered into agreements with a third party research provider to provide specified research services for a total of \$136,000, \$96,915 of which has been recognized to date.



## Independent Auditors' Report on Internal Control

To the Board of Directors  
Saskatchewan Beekeeper's Development Commission

We have audited the Saskatchewan Beekeeper's Development Commission's control as of December 31, 2016 to express an opinion as to the effectiveness of its control related to the following objectives ("the objectives"):

- To safeguard Commission 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.
- To prepare reliable financial reports.
- To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding Commission resources, revenue raising, spending, borrowing and investing.

### Management's Responsibility

Management is responsible for maintaining effective control related to the objectives described above.

### Auditors' Responsibility

Our responsibility is to express an opinion based on our audit, on whether the entity's internal control over the objectives was effectively maintained in accordance with the criteria established in "Guidance on Control" published by the Risk Management and Governance Board of the Chartered Professional Accountants of Canada (CPA).

We conducted our audit in accordance with standards as set out in the CPA Canada Handbook - Assurance. These standards require that we plan and perform an audit to obtain reasonable assurance as to whether the effectiveness of Saskatchewan Beekeeper's Development Commission's control related to the objectives above was maintained in all material respects. Our audit included obtaining an understanding of the internal control, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We did not audit certain aspects of control concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

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

The Risk Management and Governance Board of the CPA defines control 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.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements, and can provide only reasonable, not absolute, assurance of achieving the objectives reliably for two reasons. First, there are inherent limitations in control including judgment in decision-making, human error, collusion to circumvent control activities and management overriding control. Second, cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become inadequate because of changes in internal and external conditions, or the degree of compliance with control activities may deteriorate.

### Opinion

In our opinion, Saskatchewan Beekeeper's Development Commission's control was effective, in all material respects, related to the objectives stated above as of December 31, 2016, based on the criteria established in "Guidance on Control" published by the Risk Management and Governance Board of the Chartered Professional Accountants of Canada (CPA).

We also have audited, in accordance with Canadian generally accepted auditing standards, the financial statements of Saskatchewan Beekeeper's Development Commission and issued our report dated February 28, 2017.

Collins Barrow PQ LLP

*Collins Barrow PQ LLP*

Yorkton, SK  
February 28, 2017



**Report on Legislative Compliance**

To the Board of Directors  
Saskatchewan Beekeeper's Development Commission

We have made an examination to determine whether the Saskatchewan Beekeeper's Development Commission ("the Commission") complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding public resources, spending, revenue raising, borrowing and investing activities during the year ended December 31, 2016:

*The Agri-Food Act, 2004*  
The Beekeeper's Development Plan Regulations  
Commission Orders #01-06 to #06-16  
Agri-Food Council Order #02/11

Our examination was made in accordance with Canadian generally accepted auditing standards, and accordingly, included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the Saskatchewan Beekeeper's Development Commission has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended December 31, 2016.

**Collins Barrow PQ LLP**

*Collins Barrow PQ LLP*

Yorkton, SK  
February 28, 2017

**SBDC/SBA MERGED ORGANIZATION PLANNING ACTIVITIES BUDGET**

<b>INCOME</b>	<b>transition year (2017)</b>
<b>Memberships:</b>	
MANDATORY LEVY (\$1.00/hive)	\$ 68,000.00
Sideliner LEVY (1.00/hive, min of 50 hives paid for)	
Hobbyist MEMBERSHIPS (\$95 flat prorated to \$65 in the transition year)	\$ 2,600.00
ASSOCIATE MEMBERSHIPS (companies, etc.) (\$95 flat prorated to 65 in the transition year)	\$ 520.00
Non-refundable processing fee \$25.00/ applicant	\$ 2,425.00
<b>Total membership income</b>	<b>\$ 73,545.00</b>
<b>Investment Income:</b>	
Investments - interest,	\$ 4,221.95
investment gains or losses	
<b>Total investment income</b>	<b>\$ 4,221.95</b>
<b>Research /Project income</b>	
Grants - ADOPT (attempting 2 for 2017)	\$ 23,804.73
<b>1 IODF grant (cost of production study)</b>	\$ 10,000.00
Bee Yard income from sale of 2016 honey from Bee Maid account	\$ 9,438.06
hygienic testing	\$ 12,000.00
Vehicle income (courses, non-project billable travel, etc.)	
Other leases - projects (seacan, eqpt [e.g., compressor])	
<b>Total Research/Project income</b>	<b>\$ 55,242.79</b>
<b>Education/promotion /advocacy income</b>	
Convention revenue (includes AGM reg'n - saves producers travel expenses)	
Field Day	\$ 3,200.00
<b>beer barrel sponsorship and donations</b>	\$ 700.00
Newsletter (advertisements)	\$ 333.33
Newsletter subscriptions	\$ 480.00
Sponsorships( field Day)	\$ 600.00
Courses	\$ 35,100.00
AGM	\$ 700.00
Field day silent auction	\$ 500.00
<b>Total Education/Promotion/ Advocacy income</b>	<b>\$ 41,613.33</b>
<b>TOTAL INCOME</b>	<b>\$ 174,623.07</b>



**SBDC/SBA MERGED ORGANIZATION PLANNING ACTIVITIES BUDGET**

**EXPENSES:**

**RESEARCH/PROJECT EXPENSES**

Bee Yard Expenses

**PROJECTS (TAT and other)**

IN-HOUSE PROJECTS

OUT-SOURCED PROJECTS

**Total Projects (TAT and other)**

**On-Going Research Expenses**

**Total Research/Project Expenses - ALL**

**EDUCATION & OUT-REACH (Member & Public):**

**Educational activities directed to the membership:**

Convention (Includes AGM, reducing producer travel expenses)

2017 AGM for SBA and SBDC

Field Day

Newsletter

Website (hosting & occasional web master consulting) (benefits both member & public)

**Total Educational (benefits mostly directed to members):**

**Educational activities external to the public**

Course expenses, 3 beginner, 1 queen rearing, 1 intermediate

Educational outreach activities

**Total Educational activities external to the public**

**Total Education & Out-reach Expenses - ALL**

**Advertising /Promotion:**

SBA/DC logo, banner name tags & business cards for directors

Other special PR (industry-related) projects (e.g. Ag in Motion, etc.) - direct benefit to producers

Other public promo projects (e.g., recipe brochure, samples to groups, etc.) - direct benefit to producers

Printed/other media projects - future (annual unspent - allocated to savings acct until \$5k, topped up as needed)

HONEY PROMOTION (direct benefit to producers):

- Future project TBD (e.g. AFC conference)

- Honey at displays & restaurant at convention and other SBDC attended events,

**Total Advertising/ Promotion expenses**

**Advocacy:**

Other memberships

APAS and other

Farm and Food Care Saskatchewan

Emergency fund (travel exp's for lobby or advocacy)

**Total Advocacy Expenses**

**OVERHEAD EXPENSES:**

**Office Expenses**

**Directors' Expenses (out of pocket reimbursed)**

**Administrator Expenses**

**Total Overhead expenses**

**Other Operating expenses:**

CHECK-OFF REFUNDS

CONTINGENCY (should always be added to budget exp's; ~4% - a low contingency)

**Total Other operating expenses**

**TOTAL EXPENSES**

**INCOME LESS EXPENSE**

\$ 15,065.00

\$ 55,804.73

\$ 45,804.73

\$ 10,000.00

\$ 2,166.67

\$ 73,036.40

\$ 550.00

\$ 3,900.00

\$ 2,700.00

\$ 2,100.00

\$ 9,250.00

\$ 24,650.40

\$ 6,480.35

\$ 31,130.75

\$ 40,380.75

\$ 1,500.00

\$ 2,000.00

\$ 1,500.00

\$ 1,500.00

\$ 500.00

\$ 1,000.00

\$ 8,000.00

\$ 650.00

\$ 1,000.00

\$ 2,000.00

\$ 3,650.00

\$ 9,240.00

\$ 11,429.17

\$ 16,481.50

\$ 37,150.67

\$ 5,000.00

\$ 6,666.67

\$ 11,666.67

\$ 178,388.48

\$ 738.59



**SBDC/SBA MERGED ORGANIZATION PLANNING ACTIVITIES BUDGET**

<b>INCOME</b>	<b>2018</b>	
<b>Memberships:</b>		
MANDATORY LEVY (\$1.60/hive)	\$ 108,800.00	
Sideliner LEVY (\$ 1.60/hive with a min registration of 50 hives)		
Hobbyist MEMBERSHIPS (\$95 flat)	\$ 3,800.00	
ASSOCIATE MEMBERSHIPS (companies, etc.) (\$95 flat)	\$ 760.00	
Non-refundable processing fee \$40.00/ applicant	\$ 3,880.00	
<b>Total membership income</b>		<b>\$ 117,240.00</b>
<b>Research /Project income</b>		
Grants - ADOPT (attempting 1 for 2017-2018 Fall 2017 or spring 2018)	\$ 10,000.00	
- IODF - eligible to re-apply after June 15, 2017	\$ 10,000.00	
Investments - interest, gains & losses (not entirely research-based)	\$ 5,000.00	
Bee Yard income (honey, colony sales, etc.)	\$ 13,000.00	
hygienic testing	\$ 12,000.00	
<b>Total Research/Project income</b>		<b>\$ 50,000.00</b>
<b>Education/promotion /advocacy income</b>		
Convention revenue (includes AGM reg'n - saves producers travel expenses)	\$ 32,000.00	
Field Day	\$ 3,200.00	
Newsletter (advertisements)	\$ 500.00	
Sponsorships	\$ 16,100.00	
Courses	\$ 35,100.00	
Convention auction	\$ 9,000.00	
<b>Total Education/Promotion/ Advocacy income</b>		<b>\$ 95,900.00</b>
<b>TOTAL INCOME</b>		<b>\$ 263,140.00</b>



**SBDC/SBA MERGED ORGANIZATION PLANNING ACTIVITIES BUDGET**

<b>EXPENSES</b>		
<b>RESEARCH/PROJECT EXPENSES</b>		
Total Bee Yard Expenses		\$ 13,119.00
<b>PROJECTS (TAT and other)</b>		
TOTAL In-house projects		\$ 57,000.00
TOTAL Out-sourced projects		\$ 10,000.00
<b>Total Projects (TAT and other)</b>		\$ 80,119.00
<b>Total On-Going Research Expenses</b>		\$ 8,400.00
<b>Total Research/Project Expenses - ALL</b>		\$ 88,519.00
<b>EDUCATION &amp; OUT-REACH (Member &amp; Public):</b>		
<b>Educational activities directed to the membership:</b>		
Convention (Includes AGM, reducing producer travel expenses)	\$ 20,200.85	
Field Day	\$ 5,500.00	
Newsletter	\$ 6,000.00	
Web site (hosting & occasional web master consulting) (benefits both member & public)	\$ 2,900.00	
<b>Total Educational (benefits mostly directed to members):</b>		\$ 34,600.85
<b>Educational activities external to the public</b>		
Total course expenses		\$ 24,543.74
Total Other educational event expenses		\$ 9,106.25
Regina Bee Club Agribition (both education & advertising)	\$ 4,050.00	\$ 4,050.00
<b>Total Educational activities external to the public</b>		\$ 37,699.99
<b>Total Education &amp; Out-reach Expenses - ALL</b>		\$ 72,300.84
<b>Advertising /Promotion:</b>		
SBA/DC logo, banner name tags & business cards for directors	\$ 1,500.00	
Other public promo projects (e.g., recipe brochure, samples to groups, etc.)	\$ 2,000.00	
Printed & other media projects	\$ 2,000.00	
<b>HONEY PROMOTION (direct benefit to producers):</b>		
- Future project TBD (e.g. AFC conference)	\$ 500.00	
- Honey at displays & restaurant at convention	\$ 1,000.00	
<b>Total Advertising/ Promotion expenses</b>		\$ 7,000.00
<b>Advocacy :</b>		
Canadian Honey Council membership	\$ 14,000.00	
Canadian Honey Council fee	\$ 7,500.00	
Other memberships		
APAS and other	\$ 650.00	
Farm and Food Care Saskatchewan	\$ 1,000.00	
Emergency fund (travel exp's for lobby or advocacy)	\$ 2,000.00	
<b>Total Advocacy Expenses</b>		\$ 25,150.00
<b>OVERHEAD EXPENSES:</b>		
<b>Office Expenses - TOTAL</b>		\$ 10,640.00
<b>Directors' Expenses - TOTAL</b>		\$ 17,917.50
<b>Administrator Expenses - TOTAL</b>		\$ 24,331.00
<b>Total Overhead expenses</b>		\$ 52,888.50
<b>Other Operating expenses:</b>		
CHECK-OFF REFUNDS	\$ 5,000.00	
CONTINGENCY (should always be added to budget exp's; ~4% - a low contingency)	\$ 10,000.00	
<b>Total Other operating expenses</b>		\$ 15,000.00
<b>TOTAL EXPENSES</b>		\$ 250,338.34
<b>INCOME LESS EXPENSE</b>		\$ 7,281.66



**SBDC 2016 Board Members Expenses**

	Date	Memo	Amount
<b>Danny Wasylenchuk</b>	Feb 2/2016	Feb 8/16 Joint Board Meeting - S'toon 710 Km	\$ 319.50
	Mar 17/16	Feb 29/16 Joint Board Meeting - S'toon - 725 Km	\$ 326.25
	Mar 21/16	Mar 21/16 Joint Board Meeting - S'Troon - 710 KM	\$ 319.50
	Apr 11/16	Apr 11/16 Joint Board Meeting - S'toon - 710 KM	\$ 319.50
	May 9/16	May 9/16 Joint Board Meeting - S'toon - 710 km	\$ 319.50
	Dec 7/16	Oct 5/16 Joint Board Meeting - S's'toon - 730 km	\$ 328.50
	Oct 21/16	Meeting AFC in Regina - 520 km	\$ 234.00
	Nov 30/16	Nov/16 Joint Board Meeting - 730 Km	\$ 328.50
<b>Total</b>			<b>\$ 2,495.25</b>
<b>Sara Comerford</b>	Mar 21/16	shared meeting 37.5 lkm	\$ 15.07
	Mar 21/16	lunch shared	\$ 4.60
	April 11/16	shared meeting 37.5 lkm	\$ 15.07
	May 9/2016	shared meeting 37.5 lkm	\$ 15.07
	May 9/2016	lunch shared	\$ 5.12
	June 17/16	Carpool from Saskatoon to meeting before Field Day 37.5km shared	\$ 15.07
	June 17/16	Hotel and meal for meeting before field day, shared	\$ 104.07
	Sept 12/16	Meeting s'toon 37.5 km, shared	\$ 15.07
	Oct 14/16	Meeting s'toon 40 km, shared	\$ 16.07
	Oct 21/16	Meeting Regina 39km, shared	\$ 15.67
	Oct 21/16	SBDC share of lunch and supper exp. for AFC meeting in Regina	\$ 14.96
	Nov 14/16	Meeting stoon 37.5 km, shared	\$ 15.07
	Nov 14/16	Lunch SBDC share	\$ 5.12
	Nov 30/16	Nov 30/16 Pre Convention share expenses 37.5 km	\$ 16.88
	Dec 14/16	Dec 14/16 Farm & Food Care Conference Shared expense 32.0 km	\$ 14.40
	Dec 15/16	Dec 15/16 Farm & Food Care Conference Shared expense 32.0 km	\$ 14.40
	Dec 15/16	SBDC share of Farm & Feed Care Conference Registration	\$ 105.00
<b>Total</b>			<b>\$ 406.67</b>





**SBDC Board Expenses - Page 3**

<b>Simon Lalonde</b>	Mar 21/16	Meeting s'toon 45 km Lunch	\$	20.25
	Mar 23/16	Meeting TAT - PA 386 km	\$	14.00
	Apr 11/16	Meeting s'toon 45 km	\$	173.70
	May 9/16	Meeting s'toon 45 km	\$	20.25
		Lunch	\$	20.25
		Meeting Regina Field day - 240 km	\$	14.00
	Jun 17/16	Meeting PA Tat 386 km	\$	108.00
	Jul 20/16	Meeting s'toon 45 km	\$	173.70
		Lunch	\$	20.25
	Sept 12/16	Meeting s'toon 45 km TAT	\$	14.00
		lunch	\$	20.25
	Oct 14/16	Meeting Regina 255 KM	\$	14.00
		Lunch	\$	114.75
	Oct 21/16	Meeting s'toon admin interviews 45 km	\$	14.00
	Nov 4/16	Meeting s'toon 45 km	\$	20.25
	Nov 14/16	Pre convention meeting 35 km	\$	20.25
	Nov 30/16	SBDC Annual Meeting Printing	\$	15.75
		TAT Lunch	\$	105.00
<b>Total</b>			\$	24.84
			\$	927.49



**SBDC - Disclosure of 2016 SBDC Payments of \$1000.00**

	<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
5010- Sec/Treasure Fee - Other	Jan 31/16	Right Angle Gallery	4 reg admin days	\$ 1,196.80
	Feb 29/16	Right Angle Gallery	4 reg admin days	\$ 1,196.80
	Mar 31/16	Right Angle Gallery	5 admin days	\$ 1,496.00
	April 29/16	Right Angle Gallery	4 admin days	\$ 1,196.80
	May 27/16	Right Angle Gallery	4 admin days	\$ 1,196.80
	June 30/16	Right Angle Gallery	5 admin days	\$ 1,496.00
	July 29/16	Right Angle Gallery	4 admin days	\$ 1,196.80
	Aug 31/16	Right Angle Gallery	5 reg admin days	\$ 1,496.00
	Sept 30/16	Right Angle Gallery	4 reg admin days	\$ 1,196.80
	Oct 31/16	Right Angle Gallery	4 reg admin days	\$ 1,196.00
5030 - Board Expense Claim	Nov 30/16	Right Angle Gallery		\$ 1,391.40
	Dec 23/16	Dave Game	Expense Claim	\$ 2,093.40
5040- Annual Audit	March 9/16	Collins Barrow	YE 2015	\$ 4,290.00
5045 - Check-off Refunds	Oct 1/16	Hilbert Honey	Refund 2016 Check off	\$ 3,500.00
	Oct 1/16	Valleau Apiaries	Refund 2016 Check off	\$ 1,100.00
	Oct 1/16	B's Bee Ranch Inc.	Refund 2016 Check off	\$ 1,250.00
5058 Promo Brochures	April 15/16	Canadian Honey Council	As per Motion attendance for Conference	\$ 2,176.50
50611 - TAT 20130111	set up to be pd	ADF20130111 Parson	A/P payment 3 of 3 project support	\$ 20,000.00
50621 Toxicology 2014/15/16	May 30/16	Meadowridge Enterprises	3rd year of installment as per motion Feb28/14	\$ 20,000.00
50622 ADF-20130110 2014/15/16	May 30/16	Meadowridge Enterprises	3rd year of installment as per motion Feb28/14	\$ 5,000.00
5067 Regina Beeclub Donation	Feb 29/16	Regina Bee Club	2015 Agrifibition project	\$ 3,500.00
5200- Current year Amortization	Dec 31/16		Amortized Assets	\$ 2,763.00