

Financial Statements of

**CANADIAN SEED  
GROWERS  
ASSOCIATION**

Year ended January 31, 2026

# CANADIAN SEED GROWERS ASSOCIATION

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# **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Canadian Seed Growers Association

## ***Opinion***

We have audited the financial statements of Canadian Seed Growers Association (the Entity), which comprise:

- the statement of financial position as at January 31, 2026
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at January 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## ***Basis for Opinion***

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'S financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.



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- 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 8, 2026

# CANADIAN SEED GROWERS ASSOCIATION

## Statement of Financial Position

January 31, 2026, with comparative information for 2025

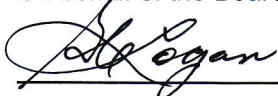
	2026	2025
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,237,257	\$ 1,685,753
Amounts receivable (note 2)	235,770	166,935
Short-term investments (note 3)	200,000	-
Prepaid expenses	109,588	127,846
	<u>1,782,615</u>	<u>1,980,534</u>
Long-term investments (note 4)	1,759,604	1,444,367
Investment in subsidiary (note 5)	42,089	-
Tangible capital and intangible assets (note 6)	74,812	92,329
Deferred pension asset (note 8)	520,882	387,814
	<u>\$ 4,180,002</u>	<u>\$ 3,905,044</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 553,620	\$ 503,025
Deferred revenue	77,099	128,379
	<u>630,719</u>	<u>631,404</u>
Net assets (note 9):		
Internally restricted	2,000,000	2,000,000
Invested in tangible capital and intangible assets	74,812	92,329
Unrestricted	1,474,471	1,181,311
	<u>3,549,283</u>	<u>3,273,640</u>
Commitments (note 10)		
	<u>\$ 4,180,002</u>	<u>\$ 3,905,044</u>

See accompanying notes to financial statements.

On behalf of the Board:



Glenn Logan, President



Caroline Lafontaine, Interim Executive Director

# CANADIAN SEED GROWERS ASSOCIATION

## Statement of Operations

Year ended January 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Acreage fees	\$ 1,794,079	\$ 1,685,995
Branch acreage and membership fees	718,230	674,251
Membership fees	588,685	571,075
Client service fees	542,617	577,958
Investment and other revenue	198,632	210,109
Plot fees	182,500	190,280
Annual General Meeting revenue	176,259	10,750
Assessment for CFIA inspections	82,870	57,151
	<u>4,283,872</u>	<u>3,977,569</u>
Expenses:		
General and administrative expenses (schedule)	3,277,579	3,029,977
Branch acreage and membership fees paid out	718,229	674,251
CFIA inspections	82,870	57,814
	<u>4,078,678</u>	<u>3,762,042</u>
Excess of revenue over expenses before the undercoated	205,194	215,527
Other expense:		
Loss on disposal of tangible capital and intangible assets	(43)	(18,237)
Excess of revenue over expenses	<u>\$ 205,151</u>	<u>\$ 197,290</u>

See accompanying notes to financial statements.

# CANADIAN SEED GROWERS ASSOCIATION

## Statement of Changes in Net Assets

Year ended January 31, 2026, with comparative information for 2025

	Internally restricted	Invested in tangible capital and intangible assets	Unrestricted	2026 Total	2025 Total
Balance, beginning of year \$	2,000,000 \$	92,329 \$	1,181,311 \$	3,273,640 \$	2,463,067
Excess of revenue over expenses	-	-	205,151	205,151	197,290
Remeasurements related to pension liability	-	-	70,492	70,492	613,283
Purchase of tangible capital and intangible assets	-	21,939	(21,939)	-	-
Amortization of tangible capital and intangible assets	-	(39,413)	39,413	-	-
Loss on disposal of tangible capital and intangible assets	-	(43)	43	-	-
Balance, end of year	\$ 2,000,000 \$	74,812 \$	1,474,471 \$	3,549,283 \$	3,273,640

See accompanying notes to financial statements.

# CANADIAN SEED GROWERS ASSOCIATION

## Statement of Cash Flows

Year ended January 31, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 205,151	\$ 197,290
Items not involving cash		
Amortization of tangible capital and intangible assets	39,413	46,685
Increase in cumulative unrealised gains	(64,791)	(63,126)
Loss on disposal of tangible capital and intangible assets	43	18,237
Increase in deferred pension asset	(133,068)	(618,797)
Embrasure related to pension liability	70,492	613,283
Changes in non-cash operating working capital:		
Increase in amounts receivable	(68,835)	83,893
Decrease (increase) in prepaid expenses	18,258	(50,665)
Increase (decrease) in accounts payable and accrued liabilities	50,595	(68,965)
Decrease in deferred revenue	(51,280)	(34,628)
	<u>65,978</u>	<u>123,207</u>
Investing activities:		
Net additions to long-term investments	(250,446)	(1,047,807)
Purchase of short-term investments	(200,000)	-
Investment in subsidiary	(42,089)	-
Purchase of tangible capital and intangible assets	(21,939)	(42,082)
	<u>(514,474)</u>	<u>(1,089,889)</u>
Decrease in cash and cash equivalents	(448,496)	(966,682)
Cash and cash equivalents, beginning of year	1,685,753	2,632,435
Cash and cash equivalents, end of year	<u>\$ 1,237,257</u>	<u>\$ 1,665,753</u>

See accompanying notes to financial statements.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements

Year ended January 31, 2026

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The Canadian Seed Growers Association (the "Association") provides seed pedigree services of field crops, in conjunction with the Canadian Food Inspection Agency, to over 3,000 seed growers across Canada.

The Association was incorporated as a corporation without share capital under Part II of the Canada Corporations Act. Effective July 30, 2013, the Association continued their articles of incorporation from the Canada Corporations Act to the Canada Not-for-profit Corporations Act.

The Association is a not-for-profit organization under paragraph 149(1)(A) of the Income Tax Act (Canada) and, as such, is not subject to income taxes.

## 1. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting and include the following significant accounting policies:

### (a) Revenue recognition:

The Association follows the deferral method of accounting for contributions for not-for-profit organizations.

Revenue from fees and assessments are recognized when the services are provided or the goods are sold. Investment and other revenue is recognized when earned. Contributions restricted for a specific purpose are deferred and recognized in the period that the related expenses are incurred.

Revenue from sponsorships, registrations, and ticket sales for the Annual General Meeting are recognized in the month in which the meeting takes place.

### (b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Investments are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

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## 1. Significant accounting policies (continued):

### (b) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits, which are highly liquid with original maturities of less than three months from the date of acquisition. These financial assets are convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

### (d) Related party transactions:

The Association accounts for related party transactions in accordance with Section 3840, Related Party Transactions. Transactions are recorded at the exchange amount, being the amount of consideration established and agreed to by the related parties.

The Association's investment in its wholly owned subsidiary is accounted for using the cost method. Amounts paid on behalf of the subsidiary with no repayment terms are included in the carrying amount of the investment. The investment is assessed for impairment at each reporting date.

### (e) Tangible capital and intangible assets:

Purchased tangible capital and intangible assets are recorded at cost. Repairs and maintenance costs are charged to expense. When a tangible capital or intangible asset no longer contributes to the Association's ability to provide services, its carrying amount is written down to its residual value.

Amortization is provided on a straight-line basis using a rate of 10% per annum for furniture and 25% per annum for computer equipment and intangible assets. Leasehold improvements are amortized over the term of the lease.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

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## 1. Significant accounting policies (continued):

### (f) Pension costs and obligations:

The Association has a defined benefit pension plan covering some of its employees. The benefits are based on years of service and the employee'S compensation during the best three years of employment.

The Association also has a defined contribution plan providing pension benefits to its employees. The cost of the defined contribution plan is recognized based on the contributions required to be made during each period.

The Association uses the immediate recognition approach to account for the above plan. The Association accrues its obligations under the defined benefit plan as the employees render the services necessary to earn the pension benefits. The actuarial determination of the accrued benefit obligations for pensions uses the projected benefit method prorated on service (which incorporates management's assumptions used for funding purposes, other cost escalation, retirement ages of employees and other actuarial factors). The measurement date of the plan assets, which are recorded at fair value, and accrued benefit obligation coincides with the Association'S fiscal year.

In years between valuations, the Association uses a roll-forward technique to estimate the accrued benefit obligation. The Association recognizes the accrued benefit obligation net of the fair value of the plan amounts adjusted for any valuation allowance in the statement of financial position at the end of the year.

The annual benefit cost is recorded in the statement of operations and the actuarial gains and losses are recognized in the statement of deferred contributions.

The pension fund is funded in accordance with legal requirements and standard actuarial practice. Assets of the pension plan are used to purchase life annuities for employees on retirement when benefits under the plan are increased. Additional annuities are purchased for retired employees.

### (g) Foreign exchange:

Transactions conducted in a foreign currency are translated into Canadian dollars at the average exchange rate for the period. Assets and liabilities denominated in foreign currencies are translated at exchange rates in effect at year-end. Foreign exchange gains and losses are included in income.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

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## 1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period in which they become known.

## 2. Accounts receivable:

	2026	2025
Trade receivables	\$ 163,108	\$ 170,906
Commodity taxes receivable	75,925	1,044
	239,033	171,950
Provision for doubtful accounts	(3,263)	(5,015)
	\$ 235,770	\$ 166,935

## 3. Short-term investments:

As at January 31, 2026, the Association held guaranteed investment certificates ("GIC's") classified as short-term investments with total cost and fair value of \$200,000 (2025 - \$Nil). These GIC's mature on March 12, 2026 and bear interest rates ranging from 3.04% to 3.05% per annum.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

## 4. Long-term investments:

Investments are composed of the following securities:

	Fair value 2026	Cost 2026	Fair value 2025	Cost 2025
Equities	\$ 1,351,050	\$ 1,114,419	\$ 1,236,718	\$ 1,067,618
Fixed income	402,482	404,973	200,194	200,278
Investment trusts	4,485	2,987	5,868	4,037
Accrued interest	1,587	1,587	1,587	1,587
	<u>\$ 1,759,604</u>	<u>\$ 1,523,966</u>	<u>\$ 1,444,367</u>	<u>\$ 1,273,520</u>

## 5. Investment in subsidiary:

The Association owns 100% of the issued and outstanding common shares of Bluest Solutions Inc., a taxable corporation incorporated under the Canada Business Corporations Act on August 7, 2025. The subsidiary was established to support technology-based initiatives aligned with the Association'S operations. As a result, the subsidiary is controlled by the Association.

The Association accounts for its investment in the subsidiary using the cost method rather than consolidation.

During the year ended January 31, 2026, the Association subscribed for 10,000 common shares for cash consideration of \$100. In addition, the Association paid \$41,989 of start-up and operating expenditures on behalf of the subsidiary. These amounts are considered part of the net investment in the subsidiary, as no repayment terms have been established.

The subsidiary is a related party. These transactions were conducted in the normal course of operations and are measured at the exchange amount in accordance with Section 3840 Related Party Transactions.

As at January 31, 2026, the carrying amount of the investment is \$42,089. No dividends were declared or received during the year.

Management has assessed the investment for impairment and determined that no write-down is required. The recoverability of the investment is dependent on the future operations of the subsidiary.

As at January 31, 2026, the subsidiary had total assets of \$18,106 (2025 - \$Nil), liabilities of \$42,089 (2025 - \$Nil), and a net loss of \$23,983 (2025 - \$Nil).

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

## 6. Tangible capital and intangible assets:

			2026	2025
	Cost	Accumulated amortization	Net book value	Net book value
Tangible capital assets:				
Computers	\$ 209,797	\$ 177,388	\$ 32,409	\$ 71,137
Furniture	21,974	16,567	5,407	6,551
Leasehold improvements	15,168	15,168	-	2,385
	246,939	209,123	37,816	80,073
Intangible assets	688,514	651,518	36,996	12,256
	\$ 935,453	\$ 860,641	\$ 74,812	\$ 92,329

At January 31, 2025, cost and accumulated amortization amounted to \$920,519 and \$828,190, respectively. In the year, the Association disposed of assets with a cost of \$7,005 (2025 - \$228,640) and accumulated amortization of \$6,962 (2025 - \$210,403).

## 7. Accounts payable and accrued liabilities:

At year end, there were government remittances payable of \$94,221 (2025 - \$2,211) and payroll-related remittances of \$Nil (2025 - \$Nil).

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

## 8. Deferred pension asset/liability:

The Association administers the Pension Plan for the Employees of the Canadian Seed Growers Association, which is a defined benefit and defined contribution plan registered with the Financial Services Regulatory Authority of Ontario, and covers most of the Association's employees. Employer contributions to the defined contribution plan component were \$68,715, which are included in employee benefit expense.

The latest actuarial valuation for funding purposes of the defined benefit plan component was performed as at August 1, 2023. The next actuarial valuation for funding purposes is required to be completed as at August 1, 2026, or earlier, in accordance with the requirements of the Pension Benefits Act (Ontario).

As part of the regulations governing provincially regulated pension plans, pension plans must meet certain solvency requirements which assume the plans are wound up/liquidated as of the valuation date. The actuarial valuation for funding purposes performed as at August 1, 2023 reported a solvency surplus of \$1,128,585 and a going concern deficiency of \$306,526, based on economic assumptions applicable at August 1, 2023.

The reconciliation of the funded status of the defined benefit pension plan to the amount recorded in the financial statements is as follows:

	2026	2025
Fair value of plan assets	\$ 5,802,621	\$ 5,671,758
Accrued benefit obligation	(5,281,739)	(5,283,944)
Deferred pension asset	\$ 520,882	\$ 387,814

### (a) Plan assets:

	2026	2025
Plan assets at fair value, beginning of year	\$ 5,671,758	\$ 5,054,355
Actual return on plan assets	354,547	862,470
Employer contributions	98,051	72,784
Employee contributions	18,922	17,682
Benefits paid	(340,657)	(335,533)
Plan assets at fair value, end of year	\$ 5,802,621	\$ 5,671,758

The defined benefit pension expense for the year was \$35,475 (2025 - \$67,270) and is included in employee benefit expense shown in the schedule of general administration expenses.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

## 8. Deferred pension asset/liability (continued):

(B) Accrued benefit obligation:

	2026	2025
Accrued benefit obligation, beginning of year	\$ 5,283,944	\$ 5,285,338
Benefits accrued	76,696	71,670
Benefits paid	(340,657)	(335,533)
Interest	303,827	303,907
Actuarial loss	(42,071)	(41,438)
<b>Accrued benefit obligation, end of year</b>	<b>\$ 5,281,739</b>	<b>\$ 5,283,944</b>

(ac) Pension plan assets:

Plan assets are invested in the following securities at January 31:

	2026	2025
Cash and cash equivalents	- %	(1)%
Fixed income securities	36 %	38 %
Canadian equities	35 %	34 %
Foreign equities	29 %	29 %

(d) Assumptions:

The significant assumptions used in accounting for the defined pension benefit plan at January 31 are as follows:

	Pension benefit plan	
	2026	2025
Benefit costs:		
Discount rate	5.75 %	5.75 %
Expected return on plan assets	5.25 %	5.25 %
Inflation	2.00 %	2.00 %
Rate of compensation increase	3.25 %	3.25 %

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

## 9. Net assets:

The Association considers its capital to consist of its net assets. The Association's overall objective with its capital is to fund tangible capital and intangible assets, research and ongoing operations.

Internally restricted net assets are funds committed for specific purposes, which reflect the application of Association's Board policy as follows:

Reserve category	Purpose	Amount
Transition Fund	The Association requires funding to enable special projects and initiatives that support the Association's strategy in the coming years.	\$ 500,000
Contingency Fund Reserve	The Association will maintain a contingency reserve fund to financial mitigate the risk of a significant, negative unexpected event or a substantive change in the Association's operations.	\$ 1,500,000

The Association is not subject to externally imposed capital requirements but its Board of Directors will create new reserves and/or discontinue existing reserves, if and when required.

## 10. Commitments:

The Association rents office space under an operating lease that expires as of October 31, 2026. The minimum annual lease payments for the year is as follows:

2027	\$ 11,039
	\$ 11,039

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

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## 11. Financial risks and concentration of risk:

The Association is subject to the following financial risks from its financial instruments.

(a) Market risk:

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of:

(i) Currency risk:

The Association is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Association owns investments denominated in U.S. dollars of \$723,570 (2025 - \$719,480). The Association does not currently enter into forward contracts to mitigate this risk.

(ii) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Association is exposed to interest rate risk on the balance held in the high interest savings account as disclosed in note 3.

(iii) Other price risk:

Other price risk refers to 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 or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is subject to other price risk arising from its equity holdings as disclosed in note 4.

(b) Liquidity risk:

Liquidity risk refers to the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association has a cash flow planning process in place to ensure sufficient resources meet current and projected cash requirements. Liquidity sources include cash, amounts receivable, investment income and the sale and maturity of long-term investments. The Association's liquidity risk has not changed from the prior year and is not considered to be significant by management.

# CANADIAN SEED GROWERS ASSOCIATION

Notes to Financial Statements (continued)

Year ended January 31, 2026

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## 11. Financial risks and concentration of risk (continued):

### (c) Credit risk:

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk with respect to the amounts receivable. The Association assesses, on a continuous basis, its amounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. Amounts that have been allowed for in accounts receivable are disclosed in note 2. The Association's credit risk has not changed from the prior year and is not considered to be significant by management.

The Association is exposed to credit risk in respect of amounts invested in its wholly owned subsidiary, as disclosed in note 5. The irrecoverability of these amounts is dependent on the future operations and cash flows of the subsidiary. As at year end, no repayment terms have been established. Management monitors the financial performance of the subsidiary on an ongoing basis to assess recoverability.

Management believes that these financial risks are appropriately mitigated and do not pose significant risk to the Association's operations. There have been no significant changes in these risks, nor in the policies, procedures, and methods used to manage these risks in the year.

## 12. Comparative information:

Certain 2025 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

# CANADIAN SEED GROWERS ASSOCIATION

Schedule of General and Administrative Expenses (schedule)

Year ended January 31, 2026, with comparative information for 2025

	2026	2025
Salaries	\$ 1,773,361	\$ 1,656,396
Employee benefits	293,338	313,562
Annual general meeting expense	234,334	6,661
Data processing	136,984	140,456
Technical and data development	96,012	114,811
Honoraria	87,467	88,407
Travel, directors	83,470	42,735
Travel, staff	83,107	77,045
Professional fees	78,950	90,109
Contracted services	78,210	113,142
Publicity	72,009	99,730
Special projects	68,598	41,389
Insurance	54,051	62,752
Amortization of tangible capital and intangible assets	39,413	46,685
Membership fees	38,314	35,156
Rent	17,269	31,867
Stakeholder education	17,060	33,487
Internet and web site service	6,057	5,359
Postal services	4,990	5,903
Bad debts	4,573	2,904
Printing	4,147	3,788
Rental of equipment	2,624	4,733
Telephone	2,043	8,856
Presentations and sponsorships	1,000	1,000
Office supplies and stationery	198	2,664
Subscriptions	-	380
	<b>\$ 3,277,579</b>	<b>\$ 3,029,977</b>