

# Ministry of Agriculture

Irrigation Crop Diversification Corporation



**2012-13  
ANNUAL REPORT**





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# Letters of Transmittal



June 28, 2013

Her Honour, the Honourable Vaughn Soloman Schofield  
Lieutenant Governor of Saskatchewan

May it please Your Honour:

As the Minister of Saskatchewan Agriculture, it is my pleasure to submit the Annual Report for the Irrigation Crop Diversification Corporation for the year ending March 31, 2013.

Respectfully submitted,

Lyle Stewart  
Minister of Agriculture



June 28, 2013

The Honourable Lyle Stewart  
Minister of Agriculture

Sir:

I respectfully submit the annual report of the Irrigation Crop Diversification Corporation for the fiscal year ending March 31, 2013.

Respectfully submitted,

Kevin Plummer  
Chairman

# **Objectives and Purposes of ICDC**

## **– *The Irrigation Act, 1996***

The objectives and purposes of the Irrigation Crop Diversification Corporation (ICDC) are:

- To research and demonstrate to producers and irrigation districts profitable agronomic practices for irrigated crops;
- To develop or assist in developing varieties of crops suitable for irrigated conditions;
- To provide irrigation-related research and development infrastructure and services to producers and irrigation districts;
- To provide technology transfer and demonstration programming to irrigators, irrigation districts and other producers; and
- To co-operate with the Minister in promoting and developing sustainable irrigation in Saskatchewan.

# Board of Directors

The following served as directors of ICDC in 2012-13:

Name	Position	Irrigation District	Development Area Represented	Election Year (#terms)
Kevin Plummer	Chairman	Moon Lake ID	NDA	2012 (1)
Jay Anderson	Alt. Vice Chair	SSRID	LDDA	2014 (1)
David Bagshaw	Director	Luck Lake ID	LDDA	2013 (1)
Greg Oldhaver	Director	Miry Creek ID	SWDA	2014 (1)
Russel Swihart	Director	Vidora Water Users	SWDA	2013 (1)
Colin Ahrens	Director	Individual Irrigators	Non-District	2012 (1)
Vacant			SEDA	2012 (1)
Larry Lee	Director	Macrorie ID	SIPA rep.	App.
Rob Oldhaver	Vice Chair	Miry Creek ID	SIPA rep.	App.
John Babcock	Director		SA rep.	OC
Doug Billett	Director		SA rep.	OC

The Four Development Areas are: Northern (NDA), South Western (SWDA), South Eastern (SEDA) and Lake Diefenbaker (LDDA) as defined in ICDC's bylaws.

ICDC Directors are elected by district delegates to the annual meeting. Each irrigation district is entitled to send one ICDC delegate per 5,000 irrigated acres or part thereof. Two directors are elected from LDDA, two from SWDA and one each from NDA and SEDA. Non-district irrigators elect one representative.

The Saskatchewan Irrigation Projects Association (SIPA) and Saskatchewan Ministry of Agriculture appoint two directors each to the ICDC board. The ICDC board must, by law, have irrigators in the majority.

# 2012-13 Highlights

ICDC projects in 2012-13 included:

**Field Crops** – Demonstrations on fungicide usage for wheat and dry bean crops, seeding rate trials for canola, durum and soft wheat, foliar copper applied at flag leaf to wheat, nitrogen rate for oats on alfalfa breaking, granular and liquid phosphate placed at seeding and research on crop variety selections for irrigation.

**Forage Crops** – Research on forage biomass for ethanol, irrigated pasture blends, salt-tolerant alfalfa varieties, phosphorus, potassium, sulphur fertilization of a new alfalfa stand, corn for silage and grazing and demonstrations on forage varieties.

**Water Management** – Irrigation scheduling on cereals, oilseeds, and dry beans, comparison of dryland and irrigated lentil production and demonstrations on the Alberta Irrigation Management Model.

**South West Irrigation Development Area** – Demonstrations of phosphate under flood irrigation, annual cereals as forages, phosphate, potassium, sulphur and zinc fertilization of alfalfa and forage re-seeding method evaluations all aligned with research and development priorities identified by the ICDC Board.

**Technology Transfer** – The Saskatchewan Ministry of Agriculture and the ICDC staff participated in Canada-Saskatchewan Irrigation Diversification Centre's annual field day and conducted a forage field day at the center. Another ICDC field day was held with the South Saskatchewan River Watershed Stewards at the Miry Creek Irrigation District in 2012. An irrigation water management workshop was held in Outlook and Riverhurst with assistance from Alberta Agriculture and Rural Development staff. ICDC published its annual research and development report for the ICDC conference, *Crop Varieties for Irrigation, Irrigation Agronomics and Economics*, and *The Irrigator*. Ministry staff delivered presentations at farmer meetings, *Agronomy Update* at the University of Saskatchewan, Agri-ARM Day during Crop Production Week and participated in the ICDC booth at Crop Production Show. Other articles were contributed to periodicals to promote irrigation technology advances.

More detailed information on ICDC projects is available at: [www.irrigationsaskatchewan.com](http://www.irrigationsaskatchewan.com).



## CHARTERED ACCOUNTANTS, LLP

104-1640 Idylwyld Drive North  
SASKATOON, SASK, S7L 1B1

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Telephone 306-242-5822  
Fax 306-242-5343

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### INDEPENDENT AUDITOR'S REPORT

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To the Management of Irrigation Crop Diversification Corporation

We have audited the accompanying financial statements of Irrigation Crop Diversification Corporation, which comprise the statement of financial position as at March 31, 2013 and the statements of revenues and expenditures, 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 generally accepted accounting principles, 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.

#### Auditor's 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 auditor's 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.

(continues)



Independent Auditor's Report to the Management of Irrigation Crop Diversification Corporation  
(continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Irrigation Crop Diversification Corporation as at March 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Saskatoon, Saskatchewan  
June 20, 2013



CHARTERED ACCOUNTANTS

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**Irrigation Crop Diversification Corporation**

**FINANCIAL STATEMENTS**

**Year Ended March 31, 2013**

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**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Financial Position**  
**March 31, 2013**

	2013	2012
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 4)	\$ 65,684	\$ 96,963
Term deposits (Note 4)	133,770	132,416
Accounts receivable	4,547	5,756
Prepaid expenses	651	-
	<u>\$ 204,652</u>	<u>\$ 235,135</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 354	\$ -
Goods and services tax payable	886	667
Provincial sales tax payable	19	-
Wages payable	3,154	-
Employee deductions payable	3,195	-
Prepaid Levies	8,843	5,627
	<u>16,451</u>	<u>6,294</u>
<b>NET ASSETS</b>	<u>188,201</u>	<u>228,841</u>
	<u>\$ 204,652</u>	<u>\$ 235,135</u>

**ON BEHALF OF THE BOARD**

 Director

 Director

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2013**

	2013	2012
<b>RECEIPTS</b>		
Member levies	\$ 31,163	\$ 35,205
Agri-Arm Funding	45,000	45,000
Operating grants	35,000	35,000
Project-specific funding	23,949	-
	<u>135,112</u>	<u>115,205</u>
<b>EXPENDITURES</b>		
Advertising and promotion	14,720	9,257
Insurance	2,044	1,575
Interest and bank charges	173	184
Legal fees	525	284
Meetings and conventions	7,451	648
Memberships	70	70
Office	536	42
Research projects	14,936	18,855
Demonstration projects	-	2,218
CSIDC crop varieties	-	44,000
Administration	45	-
Directors' fee	1,860	-
Professional fees	6,950	2,520
Salaries and wages	126,823	-
Sub-contracts	(482)	24,840
Supplies	1,078	-
Training	375	-
	<u>177,104</u>	<u>104,493</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES FROM OPERATIONS</b>	<b>(41,992)</b>	<b>10,712</b>
<b>OTHER INCOME</b>		
Interest income	1,352	1,605
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<b>\$ (40,640)</b>	<b>\$ 12,317</b>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2013**

	General Fund	2013	2012
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 228,841	\$ 228,841	\$ 216,524
Deficiency of receipts over expenditures	(40,640)	(40,640)	12,317
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 188,201</u>	<u>\$ 188,201</u>	<u>\$ 228,841</u>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Cash Flows**  
**Year Ended March 31, 2013**

	2013	2012
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of receipts over expenditures	\$ (40,640)	\$ 12,317
Changes in non-cash working capital:		
Accounts receivable	1,209	1,792
Accounts payable	354	-
Deferred income	3,216	(210)
Prepaid expenses	(651)	-
GST payable (receivable)	219	484
PST payable (receivable)	19	-
Wages payable	3,154	-
Employee deductions payable	3,195	-
	<u>10,715</u>	<u>2,066</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(29,925)</b>	<b>14,383</b>
Cash - beginning of year	<u>229,379</u>	<u>214,996</u>
<b>CASH - END OF YEAR (Note 4)</b>	<b><u>\$ 199,454</u></b>	<b><u>\$ 229,379</u></b>

See notes to financial statements



# **IRRIGATION CROP DIVERSIFICATION CORPORATION**

## **Notes to Financial Statements**

**Year Ended March 31, 2013**

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### **1. DESCRIPTION OF BUSINESS**

a) The objects and purposes of Irrigation Crop Diversification Corporation are the following:

i) to research and demonstrate to producers and irrigation districts profitable agronomic practices for irrigated crops;

ii) to develop or assist in developing varieties of crops suitable for irrigated conditions;

iii) to provide land, facilities and technical support to researchers to conduct research into irrigation technology, cropping systems and soil and water conservation measures under irrigation and to provide information respecting that research to district consumers, irrigation districts and the public;

iv) to co-operate with the Minister in promoting and developing sustainable irrigation in Saskatchewan.

b) ICDC was established under the Irrigation Act of 1996. ICDC is not an agent of the Crown. Membership consists of Irrigation Districts established throughout the province of Saskatchewan. ICDC is a non-profit organization exempt from Income Tax under section 149(1)(j) of the Income Tax Act.

ICDC competes for funding from governmental programs, grower's associations and any other opportunities it encounters. ICDC contracts with Canada Saskatchewan Irrigation Crop Diversification Corporation to perform specific research, which results are transmitted to ICDC as well as the funding entries. Levies assessed on Irrigation Districts and other irrigated lands are also used to fund research, as well as the operating costs of the Corporation.

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### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Contributed services

The corporation is administered through the offices of Saskatchewan Agriculture.

#### Revenue recognition

Irrigation Crop Diversification Corporation follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Cash and short term investments

Cash and cash equivalents consist primarily of chequing and savings accounts and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

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**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2013**

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3. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of chartered accountants.

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4. CASH

	2013	2012
Cash	\$ 65,684	\$ 96,963
Term deposits	133,770	132,416
	<u>\$ 199,454</u>	<u>\$ 229,379</u>

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