

# Ministry of Agriculture

## Irrigation Crop Diversification Corporation



## Annual Report for 2013-14



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# Letters of Transmittal



June 23, 2014

Her Honour, the Honourable Vaughn Solomon 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, 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L. Stewart', with a stylized, sweeping flourish at the end.

Lyle Stewart  
Minister of Agriculture



June 23, 2014

The Honourable Lyle Stewart  
Minister of Agriculture

Sir:

I wish to present to you the annual report of the Irrigation Crop Diversification Corporation for the 12 months ending March 31, 2014.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jay Anderson', with a long, horizontal, sweeping line extending to the right.

Jay Anderson  
Chairman

# **Objects and Purposes of ICDC – *The Irrigation Act, 1996***

The objects 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 and/or assist in developing varieties of crops suitable for irrigated conditions;
- 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; 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 2013-14:

Name	Position	Irrigation District	Development Area Represented	Election Year (#terms)
Jay Anderson	Chairman	SSRID	LDDA	2014 (1)
Ryan Miner	Vice Chair	Riverhurst ID	LDDA	2015 (1)
David Bagshaw	Alt. Vice Chair	Luck Lake ID	LDDA	2016 (2)
Greg Oldhaver	Director	Miry Creek ID	SWDA	2014 (1)
Colin Ahrens	Director	Individual Irrigators	Non-District	2015 (2)
Vacant	Director		SWDA	2014 (1)
Vacant	Director		NDA	2014 (1)
Joel Vanderschaaf	Director	SSRID	SIPA rep.	App.
Rob Oldhaver	Director	Miry Creek ID	SIPA rep.	App.
Garth Weiterman	Director		SA rep.	OC
Doug Pchajek	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 at 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 from NDA and SEDA. Non-district irrigators elect one representative.

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

# 2013-14 Highlights

Irrigation Crop Diversification Corporation projects in 2013-14 included:

- **Field Crops** – Demonstrations were held on the following topics: fungicide usage for flax and canola crops; fungicide application at herbicide timing; seeding rate trials for canola and soft wheat; foliar copper applied at flag leaf to wheat; granular and liquid phosphate placed at seeding; and, research on crop variety selections for irrigation.
- **Forage Crops** – Research was conducted on salt-tolerant alfalfa varieties, phosphorus, potassium, sulphur fertilization of a new alfalfa stands, nitrogen rates for irrigated oats, 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 foliar manganese application to alfalfa under flood irrigation, phosphate, potassium, sulphur fertilization of alfalfa, tillage radish for sodium affected soils and irrigated salt tolerant varieties all evaluations aligned with research and development priorities identified by the ICDC Board.
- **Technology Transfer** – The Saskatchewan Ministry of Agriculture and the ICDC staff participated in CSIDC's annual field day and conducted a forage field day at the center. ICDC staff assisted with the Ministry's Crop Diagnostic Schools. 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, an Irrigation Agronomy Update, an Agri-ARM field 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.



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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, 2014 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, 2014 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 17, 2014

  
CHARTERED ACCOUNTANTS

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**Irrigation Crop Diversification Corporation**

**FINANCIAL STATEMENTS**

**Year Ended March 31, 2014**

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Financial Position**  
**March 31, 2014**

	2014	2013
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 3)	\$ 231,933	\$ 199,454
Accounts receivable	2,042	4,547
Prepaid expenses	920	651
	<u>\$ 234,895</u>	<u>\$ 204,652</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ -	\$ 373
Goods and services tax payable	1,275	886
Wages payable	5,489	3,154
Employee deductions payable	2,989	3,195
Deferred income	15,056	8,843
	<u>24,809</u>	16,451
<b>NET ASSETS</b>		
General fund	<u>210,086</u>	188,201
	<u>\$ 234,895</u>	<u>\$ 204,652</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, 2014**

	2014	2013
<b>RECEIPTS</b>		
Special events income	\$ 1,020	\$ -
Member levies	44,536	31,163
Research contracts	58,262	45,000
Operating grants	115,000	35,000
Project-specific funding	10,282	23,949
	<u>229,100</u>	<u>135,112</u>
<b>EXPENDITURES</b>		
Advertising and promotion	9,841	14,238
Bad debts	13,347	-
Equipment rentals	427	-
Insurance	1,612	2,044
Interest and bank charges	269	173
Legal fees	-	525
Meetings and conventions	5,640	7,451
Memberships	540	70
Office	-	536
Research projects	15,481	14,936
Administration	-	45
Directors' fee	4,040	1,860
Professional fees	14,210	6,950
Rental	6,210	-
Salaries and wages	134,095	126,823
Supplies	3,155	1,078
Training	-	375
	<u>208,867</u>	<u>177,104</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES FROM OPERATIONS</b>	<b>20,233</b>	<b>(41,992)</b>
<b>OTHER INCOME</b>		
Interest income	1,652	1,352
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<b>\$ 21,885</b>	<b>\$ (40,640)</b>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2014**

	General Fund	2014	2013
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 188,201	\$ <b>188,201</b>	\$ 228,841
Excess of receipts over expenditures	21,885	<b>21,885</b>	(40,640)
<b>NET ASSETS - END OF YEAR</b>	\$ 210,086	\$ <b>210,086</b>	\$ 188,201

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Cash Flows**  
**Year Ended March 31, 2014**

	2014	2013
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of receipts over expenditures	\$ 21,885	\$ (40,640)
Changes in non-cash working capital:		
Accounts receivable	2,505	1,209
Accounts payable	(399)	372
Deferred income	6,213	3,216
Prepaid expenses	(269)	(651)
GST payable (receivable)	389	219
Wages payable	2,361	3,154
Employee deductions payable	(206)	3,195
	<u>10,594</u>	<u>10,714</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>32,479</b>	<b>(29,926)</b>
Cash - beginning of year	<u>199,454</u>	<u>229,380</u>
<b>CASH - END OF YEAR (Note 3)</b>	<b>\$ 231,933</b>	<b>\$ 199,454</b>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2014**

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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 entities. 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, 2014**

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3. CASH		
	<b>2014</b>	2013
Cash	<b>\$ 231,933</b>	\$ 199,454

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