

IRRIGATION CROP DIVERSIFICATION CORPORATION

Financial Statements

Year Ended March 31, 2007

Lois A. Johnson CMA

IRRIGATION CROP DIVERSIFICATION CORPORAT
Index to Financial Statements
Year Ended March 31, 2007

	Page
AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenditures	4
Statement of Cash Flow	5
Notes to Financial Statements	6

Lois A. Johnson CMA

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AUDITOR'S REPORT

To the Members of Legislative Assembly Province of Saskatchewan

I have audited the statement of financial position of Irrigation Crop Diversification Corporation as at March 31, 2007 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Irrigation Crop Diversification Corporation is administered through the offices of Saskatchewan Agriculture and Food. There is an agreement with Sask Water Corporation that they provide support through the provision of personnel required to pursue research and development.

In my opinion, except for the effects of the administration and staffing of the Corporation, as described in the preceding paragraph, these financial statements present fairly, in all material respects the financial position of the company as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles as applied to non-profit organizations.

Delisle, Saskatchewan
June 22, 2007

CERTIFIED MANAGEMENT ACCOUNTANT

IRRIGATION CROP DIVERSIFICATION CORPORATION
Statement of Financial Position
March 31, 2007

	2007	2006
ASSETS		
CURRENT		
Cash (Note 2)	\$ 35,670	\$ 52,989
Term deposits	191,285	152,295
Accounts receivable	<u>8,689</u>	<u>4,164</u>
	<u>\$ 235,644</u>	<u>\$ 209,448</u>
LIABILITIES AND NET ASSETS CURRENT		
CURRENT		
GST Payable	\$ -	\$ 3,085
Current Research Funding Unapplied	29,376	-
Prepaid Levies	<u>6,061</u>	<u>5,961</u>
	35,437	9,046
NET ASSETS		
General fund	<u>200,207</u>	<u>200,402</u>
	<u>\$ 235,644</u>	<u>\$ 209,448</u>

See notes to financial statements

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IRRIGATION CROP DIVERSIFICATION CORPORATION

Statement of Changes in Net Assets

Year Ended March 31, 2007

	General Fund	2007	2006
NET ASSETS - BEGINNING OF YEAR	\$ 200,402	\$ 200,402	\$ 162,526
Deficiency of revenue over expenses	<u>(195)</u>	<u>(195)</u>	<u>37,876</u>
NET ASSETS - END OF YEAR	<u>\$ 200,207</u>	<u>\$ 200,207</u>	<u>\$ 200,402</u>

See notes to financial statements

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Statement of Revenues and Expenditures

Year Ended March 31, 2007

	2007	2006
REVENUE		
Member Levies	\$ 29,754	\$ 29,737
Non-District Levies	33,019	32,710
Contract Funding	26,125	-
CSIDC Field Day	3,573	(633)
	<u>92,471</u>	<u>61,814</u>
EXPENSES		
Accounting fees	1,124	1,712
Advertising and promotion	5,418	6,996
Bad debts	428	-
Consulting fees	1,000	-
Insurance	1,575	1,575
Memberships	175	-
CSIDC Field Day	2,876	-
Office	76	-
Contract Funding Applied	26,125	5,000
CSIDC Crop Varieties	44,000	(780)
Project Demos	2,327	8,382
Forage Centres	11,586	3,826
	<u>96,710</u>	<u>26,711</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>(4,239)</u>	35,103
OTHER INCOME		
Interest income	4,044	2,726
Other income #1	-	47
	<u>4,044</u>	<u>2,773</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (195)</u>	<u>\$ 37,876</u>

See notes to financial statements

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IRRIGATION CROP DIVERSIFICATION CORPORATION

Statement of Cash Flow

Year Ended March 31, 2007

	2007	2006
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (195)	\$ 37,876
Changes in non-cash working capital:		
Accounts receivable	(4,525)	(97)
Current Funding Unapplied	29,376	(1)
GST payable (receivable)	(3,085)	2,927
Prepaid Levies	100	5,961
	<u>21,866</u>	<u>8,790</u>
Cash flow from operating activities	<u>21,671</u>	46,666
INCREASE IN CASH FLOW	21,671	46,666
Cash - beginning of year	<u>205,284</u>	158,618
CASH - END OF YEAR (Note 2)	\$ 226,955	\$ 205,284
CASH FLOW SUPPLEMENTARY INFORMATION		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

See notes to financial statements
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IRRIGATION CROP DIVERSIFICATION CORPORATION

Notes to Financial Statements

Year Ended March 31, 2007

1. DESCRIPTION OF BUSINESS

1. The objects and purposes of Irrigation Crop Diversification Corporation are:
 - a) to research and demonstrate to producers and irrigation districts profitable agronomic practices for irrigated crops;
 - b) to develop or assist in developing varieties of crops suitable for irrigated conditions;
 - c) to develop or assist in developing varieties of crops suitable for irrigated conditions; to provide means to researchers to conduct research into related technology, cropping systems and conservation measures under irrigation and to provide information respecting their research to members, irrigation districts and the public;
 - d) to co-operate with the Minister and Sask Water Corporation in promoting and developing sustainable irrigation in Saskatchewan.
2. 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 by Sask Water Corporation. 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, growers' 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.

2. CASH

	2007	2006
Cash	\$ 35,670	\$ 52,989
Term deposits	<u>191,285</u>	<u>152,295</u>
	<u>\$ 226,955</u>	<u>\$ 205,284</u>

Funding from governmental programs is based on a percentage of research costs being borne by ICDC. The investment funds permit ICDC to qualify for such research funding to facilitate its purpose.

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