

# Ministry of Agriculture

## Irrigation Crop Diversification Corporation



## Annual Report for 2014-15



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# Letter of Transmittal



*The Honourable Lyle Stewart  
Minister of Agriculture*

June 22, 2015

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, 2015.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L Stewart'.

Lyle Stewart  
Minister of Agriculture



*Jay Anderson, Chairman*

June 22, 2015

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, 2015.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jay Anderson'.

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 2014-15:

Name	Position	Irrigation District	Development Area Represented	Election Year (#terms)
Jay Anderson	Chairman	SSRID#1	LDDA	2017 (2)
David Bagshaw	Alt. Vice-Chairman	Luck Lake ID	LDDA	2016 (1)
Ryan Miner	Director	Riverhurst ID	LDDA	2015 (2)
Paul Heglund	Director	Consul-Nashlyn ID	SWDA	2017 (1)
Greg Oldhaver	Director	Miry Creek ID	SWDA	2017 (2)
Colin Ahrens	Director	Individual	Non-district	2015 (2)
Vacant	Director		NDA	
Rob Oldhaver	Director	Miry Creek ID	SIPA rep.	App.
Joel Vanderschaaf	Director	SSRID#1	SIPA rep.	App.
Penny McCall	Director		SA rep.	OC
Kelly Farden	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 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.

# 2014-15 Highlights

Irrigation Crop Diversification Corporation projects in 2014-15 included:

- **Field Crops** – Field scale demonstrations were held on the following topics: single vs. dual fungicide applications on irrigated canola, plant growth regulators on irrigated cereals, and residue management utilizing vertical tillage. Small plot trials including crop varietal assessments, soybean agronomy, plant growth regulators, and chickpea/ flax intercropping were also conducted.
- **Forage Crops** – Demonstrations of various perennial forage crops, salt tolerant forages, corn varieties for silage and grazing, corn herbicide management, and fertilization of annual forages.
- **Nutrient Management** – Field scale demonstration trials assessing fertigation timing on cereals, copper applications on cereals, and specialty nitrogen fertilizer products.
- **Water Management** – Irrigation scheduling of cereals, oilseeds, and pulses, water management for maximum economic yield on durum and compilation of long-term data on crop water use in the Outlook region.
- **South West Irrigation Development Area** – Demonstrations on the growing of winter wheat under flood irrigation and the various ways to reclaim sodium affected soils.
- **Technology Transfer** – The Saskatchewan Ministry of Agriculture and the ICDC staff participated in CSIDC's Annual Field Day, a forage field day at the center and an Irrigation Agronomy Field Day in Riverhurst. ICDC published its annual research and development report for the ICDC conference, *Crop Varieties for Irrigation, Irrigation Agronomics and Economics, Pivot Maintenance Manual*, and *The Irrigator*. ICDC and Ministry staff hosted the ICDC booth at the Crop Production Show and delivered presentations at a number of farmer meetings and field days including the SIPA-ICDC Annual Conference, two Irrigation Agronomy Updates and an Agri-ARM Update. Staff also promoted irrigation technology advances by providing articles to various publications and speaking with media outlets.

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





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## **INDEPENDENT AUDITOR'S REPORT**

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To the Members 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, 2015 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

### **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.

Independent Auditor's Report to the Members 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, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan  
June 25, 2015



CHARTERED ACCOUNTANTS

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**Irrigation Crop Diversification Corporation**  
**FINANCIAL STATEMENTS**  
**March 31, 2015**

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Financial Position**  
**March 31, 2015**

	2015	2014
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 4)	\$ 293,617	\$ 231,933
Accounts receivable	42,706	2,042
Prepaid expenses	745	920
	<u>337,068</u>	<u>234,895</u>
<b>PROPERTY, PLANT AND EQUIPMENT (Note 3)</b>	<u>38,110</u>	<u>-</u>
	<u><b>\$ 375,178</b></u>	<u><b>\$ 234,895</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 135	\$ -
Goods and services tax payable	2,889	1,275
Wages payable	5,978	5,489
Employee deductions payable	-	2,989
Deferred income	15,356	15,056
	<u>24,358</u>	<u>24,809</u>
<b>NET ASSETS</b>		
General fund	<u>350,820</u>	<u>210,086</u>
	<u><b>\$ 375,178</b></u>	<u><b>\$ 234,895</b></u>

ON BEHALF OF THE BOARD

Colin K. Adams Director  
David Bingham Director

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2015**

	2015	2014
<b>REVENUES</b>		
Member levies	\$ 102,260	\$ 44,536
Operating grants	148,765	115,000
Project-specific funding	93,257	10,282
Research contracts	61,674	58,262
Special events income	-	1,020
Interest income	1,856	1,652
	<u>407,812</u>	<u>230,752</u>
<b>EXPENDITURES</b>		
Advertising and promotion	11,949	9,841
Amortization	4,505	-
Bad debts	6,954	13,347
Directors fees	5,623	4,040
Equipment rentals	2,780	427
Insurance	2,104	1,612
Interest and bank charges	375	269
Meetings and conventions	7,709	5,640
Memberships	1,174	540
Office	775	-
Research projects	20,076	15,481
Professional fees	32,113	14,210
Rental	12,315	6,210
Salaries and wages	156,817	134,095
Supplies	490	3,155
Telephone	1,319	-
	<u>267,078</u>	<u>208,867</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ 140,734</u>	<u>\$ 21,885</u>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2015**

	General Fund	Restricted Fund	2015	2014
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 210,086	\$ -	\$ 210,086	\$ 188,201
Excess of revenues over expenditures	140,734	-	140,734	21,885
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 350,820</b>	<b>\$ -</b>	<b>\$ 350,820</b>	<b>\$ 210,086</b>

See notes to financial statements

**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Statement of Cash Flow**  
**Year Ended March 31, 2015**

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 140,734	\$ 21,885
Item not affecting cash:		
Amortization of property, plant and equipment	4,505	-
	<u>145,239</u>	<u>21,885</u>
Changes in non-cash working capital:		
Accounts receivable	(40,664)	2,505
Accounts payable	135	(45)
Deferred income	300	6,213
Prepaid expenses	175	(269)
Goods and services tax payable	1,614	389
Wages payable	489	2,361
Employee deductions payable	(2,989)	(560)
	<u>(40,940)</u>	<u>10,594</u>
Cash flow from operating activities	<u>104,299</u>	<u>32,479</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(42,615)	-
<b>INCREASE IN CASH FLOW</b>	61,684	32,479
Cash - beginning of year	<u>231,933</u>	<u>199,454</u>
<b>CASH - END OF YEAR (Note 4)</b>	<u>\$ 293,617</u>	<u>\$ 231,933</u>



**IRRIGATION CROP DIVERSIFICATION CORPORATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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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**

**Basis of presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

**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.

*(continues)*

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# IRRIGATION CROP DIVERSIFICATION CORPORATION

## Notes to Financial Statements

Year Ended March 31, 2015

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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.

#### Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized at the following rates and methods with the exception of one-half the given rates used in the year of purchase:

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method

### 3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Equipment	\$ 37,748	\$ 3,775	\$ 33,973	\$ -
Computer equipment	4,867	730	4,137	-
	<u>\$ 42,615</u>	<u>\$ 4,505</u>	<u>\$ 38,110</u>	<u>\$ -</u>

### 4. CASH

	2015	2014
Cash	<u>\$ 293,617</u>	<u>\$ 231,933</u>