

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



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INDEPENDENT AUDITOR'S REPORT

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

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

	2014	2013
ASSETS		
CURRENT		
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>
LIABILITIES AND NET ASSETS		
CURRENT		
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
NET ASSETS		
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
RECEIPTS		
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>
EXPENDITURES		
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>
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES FROM OPERATIONS	20,233	(41,992)
OTHER INCOME		
Interest income	1,652	1,352
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$ 21,885	\$ (40,640)

See notes to financial statements

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

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

See notes to financial statements

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

	2014	2013
OPERATING ACTIVITIES		
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>
INCREASE (DECREASE) IN CASH FLOW	32,479	(29,926)
Cash - beginning of year	<u>199,454</u>	<u>229,380</u>
CASH - END OF YEAR (Note 3)	<u>\$ 231,933</u>	<u>\$ 199,454</u>

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

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.

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.

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

3. CASH		
	2014	2013
Cash	\$ 231,933	\$ 199,454
