

## Saskatchewan Forage Seed Development Commission Annual Report

Box 1361  
Watrous, SK  
S0K 4T0

### Board of Directors

Kirk Riglin, Chairperson, Elrose  
Bruce Coulman, Saskatoon  
Kelvin Grisdale, Weekes  
Ernest Horudko, Nipawin  
Roger Kirk, Nipawin  
Clayton Myhre, Nipawin  
Randy Tulloch, Broadview  
Archie Campbell, Quill Lake

Nancy Gray, Executive Director, Watrous

### Annual Report Review, June 30

The SFSDC had a busy year with development of a brochure on the commission and developing a data base system to track sales and refunds that go through the SFSDC.

There was an article written for the Saskatchewan Institute of Agrologists about what the SFSDC is and the ongoing activities of the organization.

Two research projects were funded by the commission. The first one was with Agriculture and Agri Food Canada researching timing of spraying as it can relate to yield increases of the Lesser Red Clover Weevil completed by Julie Sokora. The second one was Herbicide Screening of Red Clover and Perennial Ryegrass by Eric Johnson.

We sent nominations to all levy members and put a permanent board in place at the annual meeting.

8 main buyers of forage seed production in Saskatchewan.

Red Clover is the highest value crop and most of the members are from grow this type of forage..

Board of Directors conference calls

Preparation of budget and plans for activities in 2007-2008 year.

**SASKATCHEWAN FORAGE SEED DEVELOPMENT COMMISSION**

Financial Statements  
For the year ended  
June 30, 2007

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# Merv Culham, Chartered Accountant

## AUDITOR'S REPORT

To the Members of  
**Saskatchewan Forage Seed Development Commission**

I have audited the balance sheet of Saskatchewan Forage Seed Development Commission as at June 30, 2007 and the statements of revenue, cumulative surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization'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.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Merv Culham



Chartered Accountant  
Regina, Saskatchewan  
July 10, 2008

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Saskatchewan Forage Seed Development Commission  
**BALANCE SHEET**  
As at June 30, 2007

ASSETS

CURRENT	2007	2006
Cash	68,363	18,070
Levy receivable	21,197	21,034
	<hr/>	<hr/>
	89,560	39,104



LIABILITIES

CURRENT		
Accounts payable	1,391	0
Levy refunds payable	4,496	338
Research payable	11,260	0
	<hr/>	<hr/>
	17,147	338

SURPLUS

SURPLUS		
Unappropriated	72,413	38,766
	<hr/>	<hr/>
	89,560	39,104

Approved on behalf of the Board

 Director  
 Director

See accompanying notes to the financial statements.

Saskatchewan Forage Seed Development Commission  
**STATEMENT OF REVENUE AND CUMULATIVE SURPLUS**  
 For the year ended June 30, 2007

	2007 Budget	2007 Actual	2006 Actual
<b>REVENUE</b>			
Levy funds collected	38,800	57,035	40,950
Less levy refund requests	0	(6,121)	(1,999)
	<u>38,800</u>	<u>50,914</u>	<u>38,951</u>
<b>EXPENDITURE</b>			
Administrative and office	3,300	462	185
Directors' expnse	1,000	177	0
Database management	2,000	3,042	0
Professional fees	2,500	2,326	0
Research			
Insect pest survey	10,000	6,900	0
Weed control in grasses	5,000	4,360	0
Weed control in legumes	5,000	0	0
Fertility trials in grasses	5,000	0	0
Other	5,000	0	0
	<u>38,800</u>	<u>17,267</u>	<u>185</u>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<u>0</u>	33,647	38,766
UNAPPROPRIATED SURPLUS BEGINNING OF YEAR		38,766	0
<b>UNAPPROPRIATED SURPLUS END OF YEAR</b>		<u>72,413</u>	<u>38,766</u>

See accompanying notes to the financial statements.

Saskatchewan Forage Seed Development Commission  
**STATEMENT OF CASH FLOWS**  
For the year ended June 30, 2007

	2007	2006
<b>CASH PROVIDED BY (USED BY) THE FOLLOWING ACTIVITIES</b>		
<b>OPERATIONS</b>		
Surplus (deficit) for the year	33,647	38,766
Net change in non-cash working capital balances		
Accounts receivable	(163)	(21,034)
Accounts payable	1,391	0
Levy refunds payable	4,158	338
Research payable	11,260	0
<b>Increase (decrease) in cash during the year</b>	50,293	18,070
<b>CASH BEGINNING OF THE YEAR</b>	18,070	0
<b>CASH END OF THE YEAR</b>	68,363	18,070
During the year, the organization had cash flows arising from interest and income taxes paid as follows:		
Bank charges paid	0	0
Income taxes paid	0	0

See accompanying notes to the financial statements.

Saskatchewan Forage Seed Development Commission

**NOTES**

For the year ended June 30, 2007

**1. Accounting policies**

Saskatchewan Forage Seed Development Commission operates to promote and enhance the forage seed industry in Saskatchewan for maximum return to producers through research, leadership and communication in the industry.

The carrying amount of cash and term deposits - approximates their fair market value due to the short term maturities of these items.

The company does not have a significant credit exposure to any individual customer or counterpart.

Levy funds are recorded as revenue when received or receivable, if the amount to be received can be reasonably estimated. Other revenues are recorded as earned.

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

The budgeted figures are presented for comparison purposes as prepared and approved by the Board, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed.

**2. Comparative figures**

Comparative figures have been reported on by other accountants.

**3. Incorporation statute**

Saskatchewan Forage seed Development Commission is a non-profit organization incorporated under the Agri-Foods Act, 2004 of Saskatchewan. Under present legislation, no income taxes are paid on the reported income of such operations.



Saskatchewan Forage Seed Development Commission  
**EXPENDITURE BY OBJECT**  
For the year ended June 30, 2007

	2007	2006
<b>Personal</b>		
Archie Campbell	177	0
Art Westerlund	1,215	0
Philip Curry	1,827	0
Payees under \$1,500	0	0
	<u>3,219</u>	<u>0</u>
<b>Suppliers</b>		
Levy refunds	6,121	1,999
Meyers Norris Penny	2,326	0
Payees under \$1,500	462	185
	<u>8,909</u>	<u>2,184</u>
<b>Research</b>		
Saskatoon Research Center	6,900	0
Western Applied Research Corp	4,360	0
Payees under \$1,500	0	0
	<u>11,260</u>	<u>0</u>
	<u>23,388</u>	<u>2,184</u>