



 **Agriculture in the Classroom**
Connecting Kids and Agriculture
2012 Annual Report

Who we are

The Future of Agriculture

With each generation, farming changes dramatically and fewer and fewer people live in rural areas or on farms. At the same time, the opportunities in agriculture continue to grow as the agriculture industry innovates and evolves to meet the increasing global demand for food, renewable energy, and bio-products.

Society has not kept up with the rapidly changing pace of the agriculture industry and as a result, many people in Saskatchewan lack an understanding of modern agriculture and its importance to our province, our country, and our world.

Agriculture in the Classroom Saskatchewan (AITC-SK) provides the foundation for young people to begin to care about agriculture and the role it plays in their lives.

AITC-SK is a registered charity that provides accurate, balanced, and current information on agriculture. Strong partnerships with both the agriculture and education sectors are key to our success in creating greater agriculture awareness!

“

My students had a peek into the various types of agricultural farms by visiting Ag Experience in the fall. It really piqued their interest and they were keen to learn more throughout the year. They believe that agriculture is important and that Saskatchewan farmers have an integral role in supplying food and expertise to people of other countries.

”

Teacher, Saskatoon



What we do

Leader in Agriculture Education

Under the guidance of the board of directors, the AITC-SK Executive Director and five support staff carry out activities that support two focus areas:

1

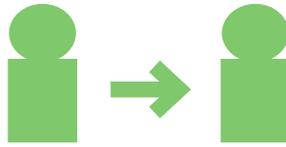
Liaise with agriculture and education sectors to develop and distribute agriculture education resources.

2

Create and coordinate hands-on, agricultural outreach programs for thousands of students each year.

In 2012:

1775 educational resources were distributed to teachers from 218 different schools across Saskatchewan.



AITC-SK directly reached 15,250 students and 1800 teachers and parents.

The AITC-SK website had 43,469 page views from 9802 different people.



1915 educational resources downloaded this year.

Connecting kids and agriculture through innovative, curriculum-linked programs and resources.



Our People

Board of Directors

Chairperson: Richard Marleau, Saskatchewan Institute of Agrologists

Vice-Chairperson: Clinton Monchuk, Chicken Famers of Saskatchewan

Treasurer: Tim Stewart, MNP LLP

Secretary: Daphne Cruise – January - May, Ministry of Agriculture

Secretary: Doris Morrow – June - December, Ministry of Agriculture

Greg Lawrence, Former Educator

Karen Schwean-Lardner, Farm Animal Council of Saskatchewan

Mary Leggett, Novozymes BioAg Group

Joy Smith, Saskatchewan Egg Producers

Brent Toles, Ministry of Education

Barbara Podhorodeski, Saskatchewan Oat Development Commission

Deb Haupstein, Sask Milk

The AITC-SK Team



Jessie Best

Audrey Aamodt

Adrienne Begg

Sara Shymko

Karen Enns

Christine Meachem

Raven Brousseau

Together we are building a stronger future for Canadian agriculture!

Our Reach

Across the Province

The yellow dots below indicate the location of the teachers and students who have benefitted from AITC-SK educational resources and outreach programs – our reach spans across the entire province.



Our Message

Richard Marleau, Chairperson

The dedication of AITC-SK staff and commitment from sponsors continues to do exceptional things when it comes to connecting kids and agriculture. AITC-SK continues to grow and strengthen their programs and materials for students and educators and is well positioned to continue doing so in the future. My term on the Board of Directors has expired and I would like to thank my fellow board members, staff, and sponsors for their commitment and contributions to AITC-SK. I wish all the best for AITC-SK's continued success and I am thankful for the opportunity to be part of this great organization for the past four years.

Sara Shymko, Executive Director

In the seven years I have been with Agriculture in the Classroom, 2012 has been the most dynamic and exciting yet. Working in partnership with other like-minded organizations and individuals, we continue to develop and deliver quality programming to students across Saskatchewan. Teachers and students have questions about agriculture and AITC-SK is there to answer them. Through provision of experiential outreach programs and educational resources, we are creating a more informed society and inspiring young people to consider the diverse career opportunities the agriculture industry offers.

With a new strategic plan to guide us over the next three years, AITC-SK will continue to build new relationships and explore opportunities to bridge the gap between agriculture and education. I would like to extend my sincere appreciation to the very dedicated staff at AITC-SK who put endless time and energy into creating meaningful learning opportunities for young people. The collaboration among board members, staff, partners, and volunteers is critical to our success in delivering a positive and enlightening message about agriculture.



Our Events

Program	Location	Dates	Rural Schools	Urban Schools	People Reached
Inaugural Canadian Agriculture Literacy Week	Saskatchewan	February - March	13	9	1201
Gardenscape School Tours	Saskatoon	March	5	15	751
Agri-Ed Exhibition	Prince Albert	April	11	3	468
Discover the Farm Day	Swift Current	April	1	3	468
Envirothon	Hepburn	April	1	0	73
Cooking Up Saskatchewan	Saskatoon	May	7	4	160
Farm Tours	Seven across Saskatchewan	May - June	2	6	246
School Garden Conference	Saskatoon	September	10	15	50
Ag Experience	Saskatoon	October	2	34	672
Little Green Thumbs Workshop	Regina	October	5	8	20
Biotech Blast	Saskatoon	November	1	3	145
Harvest Showdown	Yorkton	November	8	12	861
Agribition Agri-Ed Showcase	Regina	November	32	39	6803
Agmazing Challenge	Regina	November	8	19	392
Salute to Sask. Farmers	Saskatchewan	September - December	15	8	1189
Little Green Thumbs	Saskatchewan	School Year	19	31	2031
Greenscapades Outdoor Learning Gardens	Saskatoon	School Year	0	5	1012
Teachers' Conventions	Saskatchewan	School Year	n/a	n/a	n/a
Classroom Presentations (excluding LGT presentations)	Saskatchewan	School Year	1	2	99

Urban centres include: Estevan, Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon, Swift Current, Yorkton



New Initiatives

Canadian Agriculture Literacy Week

Agriculture came alive in Saskatchewan classrooms as students participated in activities to learn about, connect to, and understand the agriculture industry during the inaugural Canadian Agriculture Literacy Week. With the organizational support of AITC-SK, farmers, ranchers, and agriculture representatives visited 42 classrooms across Saskatchewan.

"Our local farmer did an excellent job! I enjoyed this and would do it again! Thank you!" Teacher, Gravelbourg

1155 students across the province connected to local producers

"My students are city kids so any opportunity for them to learn about the farm from someone who actually farms is great!" Teacher, Saskatoon

All 42 classrooms received "Where Beef Comes From" story-book.



"[This is a] very important part of youth's education & I hope that it stays a part of the education system for years to come." Volunteer Producer

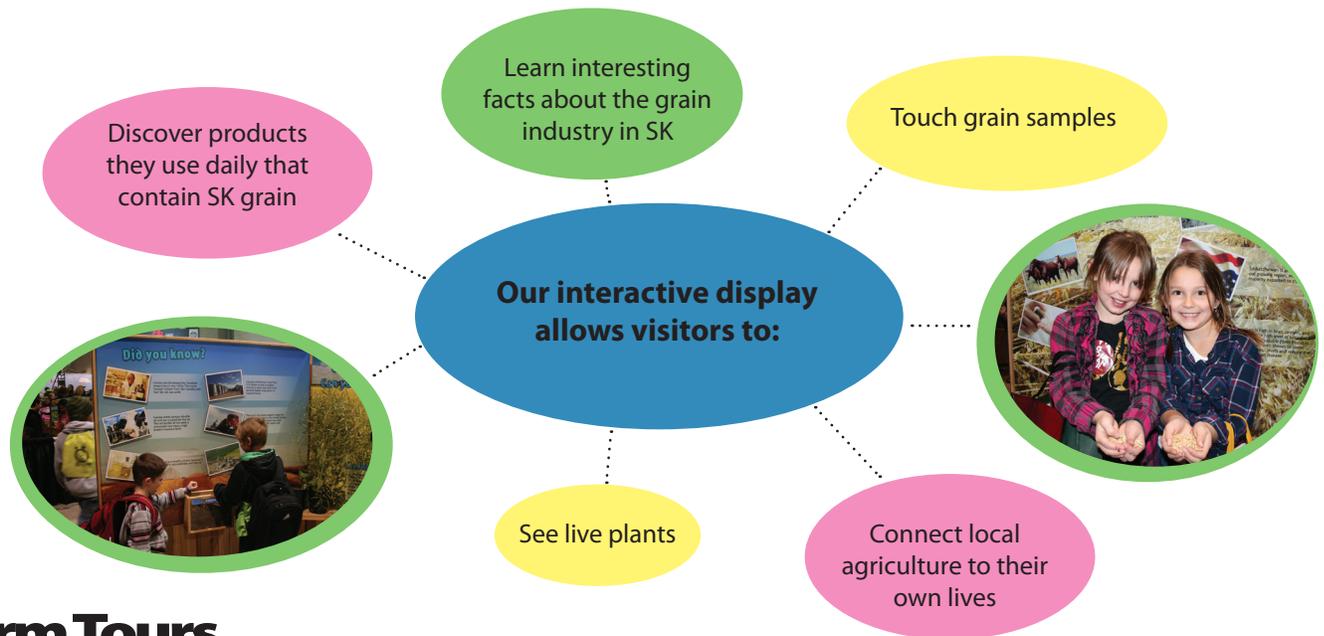


Salute to Saskatchewan Farmers

At AITC-SK, we believe that farmers across Saskatchewan are committed to taking care of their animals and crops so that people in Saskatchewan, and all over the world, have a source of high quality food. The Salute to Saskatchewan Farmers program invited students to show their appreciation to farmers by creating thank-you cards. We received 1166 thank-you cards that we are distributing to farmers throughout the year.

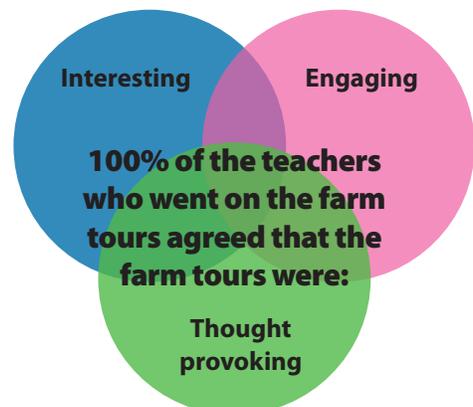
Grains of Saskatchewan Display

AITC-SK created a brand new Grains of Saskatchewan display featuring commonly grown cereal, oilseed, and pulse crops. The display will be taken to various events around the province to help kids learn about the important grain industry in Saskatchewan.



Farm Tours

Visiting a well-managed farm and meeting passionate, caring farmers is one of the best ways to provide students (and teachers) with a realistic perception of agriculture. Teachers indicated their desire to take their students to a farm, but faced challenges of high bus costs and lack of connection to farmers. AITC-SK responded by offering a limited number of bus subsidies and organizational support to schools for a farm visit. In total, 221 students from eight different schools visited beef, dairy, sheep, and grain farms in Spring, 2012.



School Garden Programs

Our school garden programs continue to grow and thrive across the province.

Indoors...

Little Green Thumbs is an indoor garden program that truly helps young people understand the complexities and importance of healthy food production. As students actively participate in growing their garden, natural curiosity is encouraged and many 'teachable moments' occur.

With strong support from Agrium Inc., AITC-SK is providing support to Alberta, Manitoba, and Newfoundland to initiate and expand Little Green Thumbs across Canada.

In the 2011/12 school year, 1950 students, from 50 different schools, took part in the Little Green Thumbs indoor gardening program.

"LGT is one of the best programs I have been involved in in my 17 years of teaching. I plan to continue with the program until I retire, at which time I hope to have another teacher just as eager as I am to take over!" Teacher, Assiniboia



LittleGreenThumbs
plant • grow • eat • share

and out!

AITC-SK offered a weekly drop-in gardening program at the other four Greenscapades schools. Over 100 children and 40 adult volunteers participated in gardening, cooking, and other activities over the summer.



AITC-SK and Saskatchewan 4-H collaborated to begin a 4-H gardening club at Confederation Park Community School over the summer months. The club was very successful with the Achievement Day being the highlight for the kids.

Greenscapades outdoor learning gardens provided amazing hands-on learning for 949 students in five core community schools in Saskatoon. Although the school gardens each have their own unique design, they are all utilized for learning about healthy food production, environmental stewardship, and community building.

Students' skills in leadership, planning, horticulture, and landscaping were developed as more and more participants were engaged.

In math, one class measured every cucumber that was harvested as part of their Linear Measurement unit. In total, they harvested over six meters of cucumbers!



A 7-year-old girl began teaching other children how to compost all garden and kitchen scraps. She collected the cherry pits from their lunch and proudly exclaimed that she was going to compost them in order to help "feed the soil and worms."

Resources

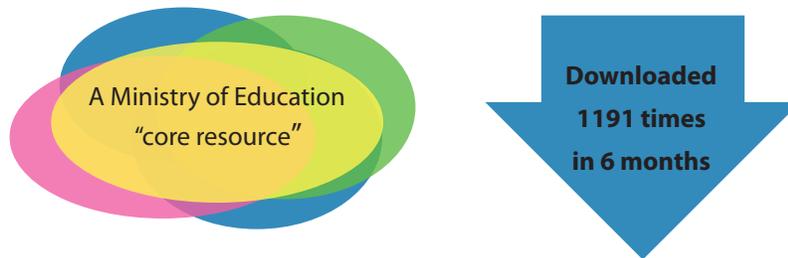
Meeting Needs in the Classroom

In 2012, AITC-SK focused on encouraging as many teachers as possible to utilize the resources developed over the past two years. We continue to build on our relationships with the Ministry of Education, school division superintendents, and classroom teachers to ensure we are meeting the needs of students. The educational resources that AITC-SK produces are high quality, meet the outcomes in the curriculum, promote inquiry-based learning, and contain accurate, balanced, and current information.



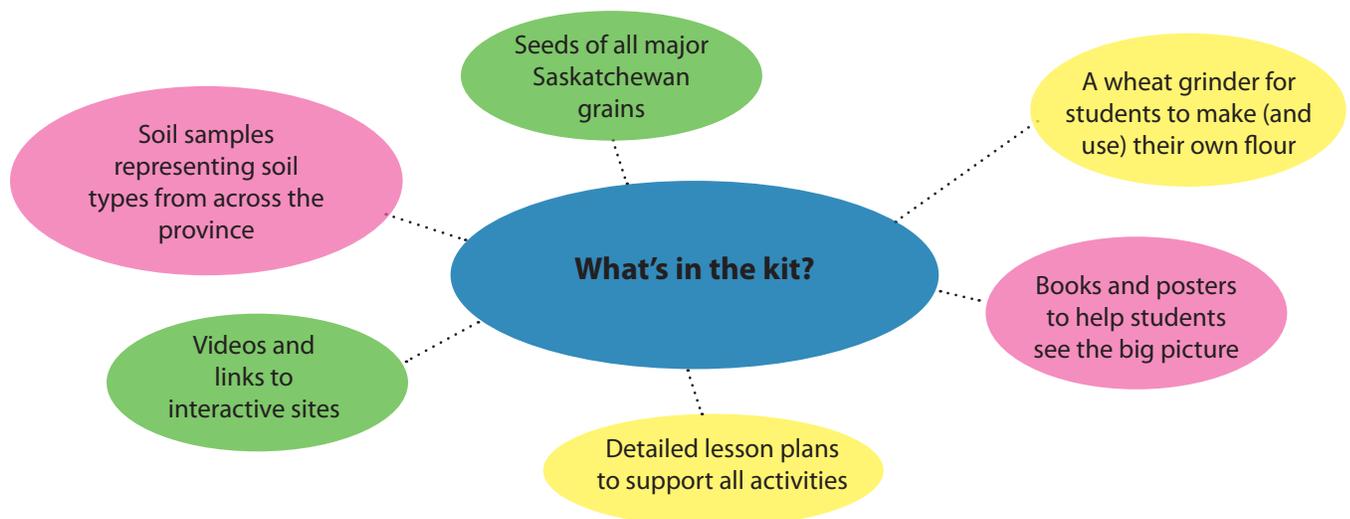
Spotlight: The Heart of Saskatchewan

The Grade 4 Resource: The Heart of Saskatchewan’s Past, Present, and Future has 23 easy-to-use lesson plans that teach about Saskatchewan agriculture.



Spotlight: Agriculture Learning Kits

The agriculture learning kits provide hands-on learning opportunities for elementary students to see and touch Saskatchewan agriculture. Increased support from the Ministry of Agriculture allowed AITC-SK to create an additional 40 Elementary Learning Kits, which will be distributed to school divisions in 2013, for a total of 60 kits spanning the province.



Sponsors

A tremendous thank-you to the many organizations and individuals who financially support AITC-SK!

Core Sponsors: \$100,000 +



The future of Agriculture in Saskatchewan, and indeed of the entire provincial economy, lies in the young minds of today.

Honourable Lyle Stewart, Minister of Agriculture



Government
— of —
Saskatchewan
Ministry of Agriculture



Agriculture in the Classroom Saskatchewan is truly a leader in agriculture education. Educating the next generation about the importance of agriculture is imperative. We need to work together to ensure our future decision makers are informed and excited to work with us on our journey to feed the world sustainably.

Lindsey Metheral, Sustainability and Stakeholder Relations, Agrium



Agrium

Heros: \$15,000 +



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Canada

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SCA
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City of Saskatoon

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**Dow AgroSciences Canada
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Flaman Group of Companies

Grain Millers Canada Corp.

MNP LLP

Novozymes BioAg Group

Pioneer Hi-Bred

RM of Churchbridge No. 211

RM of Dundurn No.314

Saskatchewan Pulse Growers

SaskTel

Syngenta Canada Inc.

Promoters: \$150 +

AG West Bio Inc.

Conservation Learning Centre

Farm Animal Council of

Saskatchewan

Graham & Eunice Begg

Greg Lawrence & Shirley Humphries

James Perkins

Parrish & Heimbecker, Limited

Phil and Karen Enns

R-K Sunview Farms Ltd

RM of Arlington No. 79

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RM of Browning No. 34

RM of Cana No. 214

RM of Carmichael No. 109

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RM of Corman Park No. 344

RM of Craik No. 222

RM of Cupar No. 218

RM of Deer Forks No. 232

RM of Elcapo No. 154

RM of Enniskillen No. 3

RM of Enterprise No. 142

RM of Estevan No. 5

RM of Excelsior No. 166

RM of Eye Hill No. 382

RM of Fertile Belt No. 183

RM of Fox Valley No. 171

RM of Frenchman Butte No. 501

RM of Garry No. 245

RM of Good Lake No. 274

RM of Grandview No. 349

RM of Gravelbourg No. 104

RM of Gull Lake No. 139

RM of Harris No. 316

RM of Hudson Bay No. 394

RM of Humboldt No. 370

RM of Insinger No. 275

RM of Ituna Bon Accord No. 246

RM of Kellross No. 247

RM of Kingsley No. 124

RM of Lac Pelletier No. 107

RM of Laird No. 404

RM of Lakeview No. 337

RM of Laurier No. 38

RM of Leroy No. 339

RM of Lipton No. 217

RM of Loon Lake No. 561

RM of Lumsden No. 189

RM of Marriot No 317

RM of Maryfield No. 91

RM of Medstead No. 497

RM of Meeting Lake No. 466

RM of Meota No. 468

RM of Mervin No. 499

RM of Milden No. 286

RM of Miry Creek No. 229

RM of Monet No. 257

RM of Moose Creek No. 33

RM of Moose Jaw No. 161

RM of Moosomin No. 121

RM of Mount Pleasant No. 2

RM of Mountain View No. 318

RM of Newcombe No. 260

RM of North Qu'Appelle No. 187

RM of Norton No. 69

RM of Paynton No. 470

RM of Preeceville No. 334

RM of Prince Albert No. 461

RM of Reciprocity No. 32

RM of Redburn No. 130

RM of Round Valley No. 410

RM of Rudy No. 284

RM of Saltcoats No. 213

RM of Saskatchewan Landing No.
167

RM of Sasman No. 336

RM of Silverwood No. 123

RM of St. Andrews No. 287

RM of St. Peter No. 369

RM of Stanley No. 215

RM of Star City No. 428

RM of Stonehenge No. 73

RM of Sutton No. 103

RM of Terrell No. 101

RM of Turtle River No. 469

RM of Usborne No. 310

RM of Viscount No. 341

RM of Waverley No. 44

RM of Wawken No. 93

RM of Webb No. 138

RM of Weyburn No. 67

RM of Whiska Creek No. 106

RM of White Valley No. 49

RM of Willowbunch No. 42

RM of Willowdale No. 153

RM of Wolseley No. 155

RM of Wolverine No. 340

SK Association of Agricultural

Societies and Exhibitions

SK Beekeepers Association

SK Institute of Agrologists

SK Sheep Development Board

SK Turkey Producers

Financials

TWIGG & COMPANY

CHARTERED ACCOUNTANTS

J.S. TWIGG B.Comm., C.A.

L.D. SAFINUK B. Comm., C.A

M. LINGARD B. Comm., C.A.

650 REGENCY CENTER
333 - 25th STREET EAST
SASKATOON, SK. S7K0L4

Independent Auditors' Report

To the Board of Directors of Agriculture in the Classroom Saskatchewan Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Agriculture in the Classroom Saskatchewan Inc., which comprise the statement of financial position as at December 31, 2012, and the statement of operations, 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 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 misstatements, whether due to fraud or error.

Auditors' 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 amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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.

(continued on next page)

J.S. TWIGG B.Comm., C.A.

L.D. SAFINUK B. Comm., C.A

M. LINGARD B. Comm., C.A.

650 REGENCY CENTER
333 - 25th STREET EAST
SASKATOON, SK. S7K0L4

Independent Auditors' Report (continued)

(continued from page 1)

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Agriculture in the Classroom Saskatchewan Inc. at December 31, 2012, 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.

Comparative Information

Without modifying our opinion, we draw attention to Note 3 to the financial statements, which describes that Agriculture in the Classroom Saskatchewan Inc. adopted Canadian accounting standards for not-for-profit organizations on January 1, 2012 with a transition date of January 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at December 31, 2011 and January 1, 2011, and the statements of operations and changes in net assets and cash flows for the year ended December 31, 2011 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

Saskatoon, Saskatchewan
April 5, 2013

Twigg & Company
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at December 31, 2012

	ASSETS		
	December 31,	December 31,	January 1,
	2012	2011	2011
CURRENT:			
Cash	\$ 88,763	\$ 201,513	\$ 91,269
Accounts receivable	21,276	-	53,700
GST receivable	4,673	2,491	1,801
Short-term investments (Note 4)	158,412	71,883	71,146
Short-term investments, internally restricted (Note 4)	-	25,362	-
Prepaid expenses	<u>1,528</u>	<u>1,266</u>	<u>1,266</u>
	274,652	302,515	219,182
EQUIPMENT (Note 5)	<u>5,590</u>	<u>4,849</u>	<u>4,515</u>
	<u>\$ 280,242</u>	<u>\$ 307,364</u>	<u>\$ 223,697</u>

	LIABILITIES		
CURRENT:			
Accounts payable	\$ 12,499	\$ 12,669	\$ 17,900
Deferred contributions and revenue (Note 6)	<u>152,948</u>	<u>226,076</u>	<u>119,577</u>
	<u>\$ 165,447</u>	<u>\$ 238,745</u>	<u>\$ 137,477</u>

	NET ASSETS		
UNRESTRICTED NET ASSETS	114,795	43,257	86,220
INTERNALLY RESTRICTED NET ASSETS (Note 10)	<u>-</u>	<u>25,362</u>	<u>-</u>
	<u>114,795</u>	<u>68,619</u>	<u>86,220</u>
	<u>\$ 280,242</u>	<u>\$ 307,364</u>	<u>\$ 223,697</u>

SIGNED ON BEHALF OF THE BOARD:

Richard Markon

Director

Mary Loggett

Director

STATEMENT OF OPERATIONS
for the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
INCOME:		
Grant income	\$ 150,000	\$ 50,000
Memberships	160,980	105,563
Program revenue (Note 7)	235,259	188,630
Project revenue (Note 8)	42,485	35,162
Donations in kind	18,000	18,000
Other revenue	5,007	2,758
Reimbursed expenses	<u>3,776</u>	<u>7,154</u>
	<u>\$ 615,507</u>	<u>\$ 407,267</u>
EXPENSES		
Program expenses (Note 7)	238,474	188,093
Communications expense	8,458	2,036
Board of directors expense	8,257	182
Staff salaries and benefits	104,477	143,706
Staff expenses	11,067	3,857
Resource expense	68,253	23,673
Administration expense	6,380	2,232
Office expense	29,716	21,887
Outreach programs	49,620	19,012
Project expenses (Note 8)	42,601	10,289
Resource development expense	<u>2,028</u>	<u>9,901</u>
	<u>\$ 569,331</u>	<u>\$ 424,868</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 46,176</u>	<u>\$ (17,601)</u>



At the beginning of the year my students thought that vegetables and fruits grew in the back of the supermarket - they are now aware of the life cycle of a plant. The visual and hands-on learning really helped them to fully understand the process.

Teacher, Little Green Thumbs



STATEMENT OF CHANGES IN NET ASSETS
for the year ended December 31, 2012

	Internally restricted	Unrestricted	2012	2011
Balance, beginning of year	25,362	43,257	68,619	86,220
Excess (deficiency) of revenue over expenses	-	46,176	46,176	(17,601)
Transfers (Note 10)	(25,362)	25,362	-	-
Balance, end of year	-	114,795	114,795	68,619

“

Never has Canadian agriculture mattered more to Canada and the world, and what better way to get young people involved and learn more about agriculture than through Agriculture in the Classroom. The industry is diverse and full of opportunity. At FCC, we're committed to increasing students' ag knowledge as part of our long term commitment to the future of agriculture.

”

**Ron Podbielski, FCC Vice-President,
 Communication and Corporate Social
 Responsibility.**



STATEMENT OF CASH FLOWS
for the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
OPERATING ACTIVITIES:		
Excess (deficiency) of revenue over expenses for the year	\$ 46,176	\$ (17,601)
Items not involving cash:		
Amortization	<u>1,992</u>	<u>3,873</u>
	\$ 48,168	\$ (13,728)
Changes in non-cash working		
Capital balances:		
Accounts receivable	(21,276)	53,700
GST receivable	(2,182)	(690)
Prepaid expense	(262)	-
Accounts payable	(170)	(5,231)
Deferred revenue	<u>(73,128)</u>	<u>106,499</u>
	<u>(97,018)</u>	<u>154,278</u>
Total from operating activities	\$ (48,850)	\$ 140,550
FINANCING ACTIVITIES:		
Purchase of equipment	(2,733)	(4,207)
INCREASE (DECREASE) IN CASH DURING THE YEAR	(51,583)	136,343
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>298,758</u>	<u>162,415</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 247,175</u>	<u>\$ 298,758</u>
Cash is composed of:		
Cash	\$ 88,763	\$ 201,513
Short-term investments	158,412	71,883
Short-term investments, internally restricted	<u>-</u>	<u>25,362</u>
	<u>\$ 247,175</u>	<u>\$ 298,758</u>
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
Interest paid	\$ 340	\$ 80
Income taxes paid	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS **for the year ended December 31, 2012**

1. THE ORGANIZATION:

Agriculture in the Classroom Saskatchewan Inc. ("the Organization") is an industry sponsored organization which is designed to educate students, teachers and the general public about agriculture and the agri-food industry. The Organization was registered under the Non-Profit Corporations Act of Saskatchewan on June 14, 1994. On July 28, 2004 the Organization was recognized by the Canada Revenue Agency as a Charity.

2. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook and include the following significant accounting policies:

a) Revenue Recognition -

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

b) Equipment -

Equipment is initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost over their estimated useful lives as follows:

Computer equipment and hardware	30-100%
Furniture and equipment	20%

c) Income Taxes –

The Organization qualifies as a tax-exempt organization under section 149 of the Income Tax Act.

d) Use of Estimates -

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, any disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

e) Financial Instruments -

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended December 31, 2012

2. SIGNIFICANT ACCOUNTING POLICIES: (continued)

e) Financial Instruments (continued) -

Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and deferred contributions. The fair value of the cash, accounts receivable, and accounts payable approximates their carrying value due to their short-term nature.

f) Donated Materials and Services -

Donated materials and services that would normally be purchased by the Organization have been recorded as revenue in the financial statements at fair market value.

3. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS:

These financial statements were prepared in accordance with Part III of the CICA Handbook. The Organization's first reporting period under Part III is for the year ended December 31, 2012. As a result, the date of transition to Part III is January 1, 2011. The Organization previously presented financial statements under Canadian generally accepted accounting principles ("CGAAP").

These financial statements are the first financial statements for which the Organization has applied the Canadian accounting standards for not-for-profit organizations. As a result of adoption, the financial statements for the year ended December 31, 2012 were prepared in accordance with the provisions set out in Section 1501 of Part III, First-Time Adoption by Not-for-profit Organizations. Section 1501 is to be applied on a retrospective basis although the section provides exemptions from this treatment in certain specific circumstances as well as permitting elections in the year of transition. Upon adoption, the Organization did not choose to apply any of the available exemptions.

The first-time adoption of this new basis of accounting had no impact on the Organization's excess (deficiency) of revenues over expenses for the year ended December 31, 2011 or on the net assets as at January 1, 2011 (the date of transition).

4. SHORT-TERM INVESTMENTS:

Short-term investments are recorded at fair value and consist of the following:

	2012	2011
Unrestricted		
Saskatoon Credit Union term certificate earning interest at .8% maturing November 12, 2013	35,849	35,564
Saskatoon Credit Union term certificate earning interest at .8% maturing February 8, 2013	60,534	-
Saskatoon Credit Union term certificate earning interest at .8% maturing November 12, 2013	36,610	36,319
Saskatoon Credit Union term certificate earning interest at 2.25% maturing February 2, 2013	5,217	-
Saskatoon Credit Union term certificate earning interest at 1.15% maturing February 13, 2013	10,101	-
Saskatoon Credit Union term certificate earning interest at 1.15% maturing February 13, 2013	10,101	-
	158,412	71,883

NOTES TO THE FINANCIAL STATEMENTS
for the year ended December 31, 2012

4. SHORT-TERM INVESTMENTS: (continued)

	2012	2011
Internally restricted		
Saskatoon Credit Union term certificate earning interest at 2.25% maturing February 2, 2013	-	5,102
Saskatoon Credit Union term certificate earning interest at .125% maturing February 8, 2013	-	10,114
Saskatoon Credit Union term certificate earning interest at 1.6% maturing November 12, 2013	-	10,146
	-	25,362

5. EQUIPMENT:

The equipment as at December 31, 2012 consists of the following:

	2012			2011
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer and equipment	\$ 23,842	\$ 21,450	\$ 2,392	\$ 2,174
Furniture and equipment	7,685	5,545	2,140	2,675
Display	1,176	118	1,058	-
	\$ 32,703	\$ 27,113	\$ 5,590	\$ 4,849

6. DEFERRED CONTRIBUTIONS AND REVENUE:

	2012	2011
Deferred contributions and revenue, beginning of year:	\$ 226,076	\$ 119,577
Contributions and revenue received during the year:		
Little Green Thumbs contributions	74,276	124,655
Sponsorship	5,550	4,000
Grant Projects	10,050	100,000
Summer Garden program	3,000	-
Less:		
Amounts recognized as Greenscapades income	(3,423)	(42,964)
Amounts recognized as Little Green Thumbs income	(127,581)	(69,479)
Amounts recognized as Elementary Resource income	-	(8,713)
Amounts recognized as Sponsorship income	(4,000)	(1,000)
Amounts recognized as Grant Projects	(31,000)	-
Deferred contributions and revenue, end of year	\$ 152,948	\$ 226,076

NOTES TO THE FINANCIAL STATEMENTS
for the year ended December 31, 2012

6. DEFERRED CONTRIBUTIONS AND REVENUE: (continued)

	2012	2011
The deferred contributions and revenue relates to the following:		
Greenscapades	-	3,423
Little Green Thumbs project	65,348	118,653
Grant Projects	79,050	-
Summer Garden program	3,000	-
Program Development	-	100,000
Deferred Sponsorship	5,550	4,000
	\$ 152,948	\$ 226,076

7. PROGRAM REVENUE AND EXPENSES:

The program revenue and expenses includes the following:

	Little Green Thumbs	Greenscapades	Summer Garden Program	Total
Program revenue	\$ 177,393	\$ 45,806	\$ 12,060	\$ 235,259
Program expenses:				
Communication	21,443	127	-	21,570
Education material and support	21,944	1,091	887	23,922
Equipment and supplies	18,355	12,589	5,779	36,723
Partner agreements	2,871	-	-	2,871
Personnel	70,605	26,261	7,193	104,059
Storage	1,629	-	-	1,629
Travel	7,864	853	500	9,217
Teacher workshops	14,751	196	-	14,947
Office expenses	1,700	-	-	1,700
Administrative costs allocated (Note 9)	16,231	4,277	1,328	21,836
	177,393	45,394	15,687	238,474
Excess (deficiency) of program revenue over expenses for the year	\$ -	\$ 412	\$ (3,627)	\$ (3,215)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended December 31, 2012

8. PROJECT REVENUE AND EXPENSES:

The programs and projects revenue and expenses includes the following:

	Canadian Ag Lit Week	Collaborative Project with 4-H	Display	Confederation School project	Ag in the City	Total
Program (project) Revenue	\$ 8,035	\$ 6,000	\$ 25,000	\$ 983	\$ 2,467	\$ 42,485
Program (project) expense	8,076	5,901	25,174	983	2,467	42,601
	\$ (41)	\$ 99	\$ (174)	\$ -	\$ -	\$ (116)

9. ALLOCATION OF EXPENSES:

Various expenses have been allocated to projects as detailed in Note 7. The Organization has allocated certain expenses recorded in the administration, communications, staff salaries and benefits and office functions to the programs. Non-cash expenses were not allocated. The allocations to the projects for the current year are as follows:

Little Green Thumbs	26%
Greenscapades	7%
Summer Garden Program	<u>2%</u>
	<u>35%</u>

The administration, communications, staff salaries and benefits and office expenses were allocated as follows:

	Administration Expenses	Office Expenses	Communication Expenses	Staff Salaries and Benefits	Total
Little Green Thumbs	1,611	4,687	3,383	6,550	16,231
Greenscapades	434	1,262	910	1,671	4,277
Summer Garden Program	124	361	260	583	1,328
	2,169	6,310	4,553	8,804	21,836

10. TRANSFERS:

The board has transferred the balance in the internally restricted net assets to the unrestricted net assets.

NOTES TO THE FINANCIAL STATEMENTS **for the year ended December 31, 2012**

11. FINANCIAL INSTRUMENTS:

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

The Organization is exposed to credit risk from potential non-payment of accounts receivable. Most of the accounts receivable were collected shortly after year-end.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Organization is not exposed to significant interest rate risk on its investments.

Liquidity risk

Liquidity risk is that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization enters into transactions to purchase goods and services on credit from creditors, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Organization's future net cash flows for the possibility of a negative net cash flow. The Organization manages liquidity risk resulting from accounts payable and accrued liabilities by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.

12. COMPARATIVE FIGURES:

Certain 2011 comparative figures have been reclassified to conform to the financial statement presentation adopted for 2012.



Thank-you Saskatchewan
Farmers!



Dear Farmers,

Thank you for putting food
on my table!

From: Alex
Grade 4
St. Paul's school
Yorkton, SK.

 **Agriculture in the Classroom**
connecting kids and Agriculture

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