



2013 ANNUAL GENERAL MEETING

VICTORIA INN HOTEL AND CONVENTION CENTRE

February 6, 2013





**Annual General Meeting
Victoria Inn, Winnipeg
Wednesday, February 6, 2013
8:30 am – 9:10 am**

Agenda

Time	Item	Presenter	Action
8:30 am	Call to order	Andrew Saramaga	
8:30 am	Approval of Agenda	Andrew Saramaga	Motion to approve
8:40 am	Election Procedure Approval	Andrew Saramaga	Motion to approve
8:40 am	Nominating Committee Report	Albert Turski	
8:40 am	Minutes of the 2012 Annual Meeting	Sandy Robinson	Motion to adopt
8:45 am	Financial Report 2012	Lorna George	Motion to adopt
	Appointment of Auditors	Andrew Saramaga	Motion to appoint
	Budget 2013	Sandy Robinson	Motion to adopt
8:55 am	Board and Manager's Report	Michael Reimer	
9:05 am	Election of Directors	Andrew Saramaga	
9:10 am	Other Business	Andrew Saramaga	
9:10 am	Adjourn		Motion to adjourn

2012 Board of Directors

Kyle Friesen	President, GGC	Altona
Fred Greig	Vice President, Pea Committee Chair, WGRF Rep	Reston
Albert Turski	Soybean Committee Chair	LaSalle
Murray Chorney	KAP Rep, MASC Chair	East Selkirk
Andrew Saramaga	OOPSCC	Hazelridge
Randy Froese	Pulse Canada Rep	Winkler
Andrew Knowles		St Andrews
Joni Sawatzky	MCVET Rep	Altona
Rick Vaags	Market Development	Dugald
Jason Voth	Edible Bean Chair	Altona
Yvonne Lawley	University of Manitoba Rep	Winnipeg
Dennis Lange	Farm Production Advisor, MAFRI	Altona
Anfu Hou	Agriculture and Agri-Food Canada Rep	Morden
Frank LaBelle	Canadian Special Crops Association Rep	Carman

Annual General Meeting
February 8, 2012
Victoria Inn Hotel and Convention Centre

Item	Agenda Item	Presenter
1.	Call to Order at 8:30 am MOTION: K. Friesen/J. Sawatzky to approve agenda	A. Saramaga
2.	Call to Order of the Special Meeting President Saramaga reviewed the proposed changes to MPGA by-laws as circulated to the membership on January 9, 2012. There were no questions or concerns from the floor. MOTION: M. Chorney/R. Froese that the draft by-laws, as circulated to the membership on January 9 th 2012 be ADOPTED MOTION: J. Voth to close special meeting	A. Saramaga
3.	President Saramaga reviewed the election procedures. MOTION: J. Voth/J. Sawatzky to approve of the election procedure as presented. CARRIED	A. Saramaga
4.	Nominating Committee Report The nominating committee for 2012 included M. Chorney, A. Knowles and R. Froese. On behalf of the nominating committee M. Chorney presented the following names for the 3 year term (2012-2015): Fred Greig and Albert Turski who have agreed to let their names stand for another term. First nominations from the floor with none forthcoming.	M. Chorney
5.	Minutes of the 2011 AGM M. Robertson read the minutes of the 2011 Annual Meeting MOTION: K. Friesen/A. Turski that the minutes of the 2011 Annual Meeting be adopted as read. CARRIED Second Call for Nominations with none forthcoming.	M. Robertson
6.	2012 Budget – S. Robinson presented the 2012 budget. MOTION: M. Chorney/R. Froese that the 2012 budget is adopted as presented. CARRIED	S. Robinson
7.	Board and Managers Report –R. Lewko reviewed the 2011 Board and Manager’s report, which was included in the Annual General meeting booklet distributed to attending members.	R. Lewko
8.	Third call for nominations with none forthcoming. MOTION: J. Voth/J. Sawatzky that nominations cease. CARRIED Election results –Fred Greig and Albert Turski were elected by acclamation for a 3 year term (2012-2015).	A. Saramaga
9.	Resolutions Committee Report – R. Lewko reported that resolutions could not be received from the floor based on the MPGA By-laws and that no resolutions were submitted prior to the deadline.	R. Lewko
10.	Financial Report Dale George of D.F. George Chartered Accountants Inc. presented the audited financial statements for 2011. MOTION: D. Sisson/K. Friesen that the 2011 audited financial statements are adopted as presented. CARRIED	D. George
11.	Appointment of Auditors MOTION: R. Froese/A. Turski that D.F. George Chartered Accountant Inc. be appointed auditors for the Manitoba Pulse Growers Association accounts for 2012. CARRIED	A. Saramaga
12.	Call for other Business – There was no other business to report.	A. Saramaga
13.	MOTION: M. Chorney that the 2012 Annual Business Meeting be adjourned. CARRIED	
14.	Adjourn at 9:15 am	

MANITOBA PULSE GROWERS
ASSOCIATION INC.

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

DECEMBER 31, 2012

MANITOBA PULSE GROWERS ASSOCIATION INC.

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INDEPENDENT AUDITOR'S REPORT

To the Members
Manitoba Pulse Growers Association Inc.

I have audited the accompanying financial statements of Manitoba Pulse Growers Association Inc., which comprise the statement of financial position as at December 31, 2012, and the statements of operations and fund balances for the administration and research funds 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

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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion the financial statements present fairly, in all material respects, the financial position of Manitoba Pulse Growers Association Inc. as at December 31, 2012, and its results of operations for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Carman, Manitoba
February 1, 2013

D. F. George
Chartered Accountant Inc.

MANITOBA PULSE GROWERS ASSOCIATION INC.

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2012

ASSETS

	<u>Administration Fund</u>	<u>Research Fund</u>	<u>Total 2012</u>	<u>Total 2011</u>
CURRENT ASSETS				
Bank - unrestricted	\$ 2,004,296	\$ 724,300	\$ 2,728,596	\$ 2,241,886
Accounts receivable	14,293	-	14,293	10,355
Prepaid expenses	-	-	-	3,305
	<u>\$ 2,018,589</u>	<u>\$ 724,300</u>	<u>\$ 2,742,889</u>	<u>\$ 2,255,546</u>

LIABILITIES AND FUND BALANCES

CURRENT LIABILITIES				
Accounts payable	<u>\$ 8,831</u>	<u>\$ 14,293</u>	<u>\$ 23,124</u>	<u>\$ 20,262</u>
FUND BALANCES				
Unrestricted	2,009,758	-	2,009,758	1,710,961
Restricted for research	-	710,007	710,007	524,323
	<u>2,009,758</u>	<u>710,007</u>	<u>2,719,765</u>	<u>2,235,284</u>
	<u>\$ 2,018,589</u>	<u>\$ 724,300</u>	<u>\$ 2,742,889</u>	<u>\$ 2,255,546</u>

Approved on Behalf of the Board

Director: _____

Director: _____

MANITOBA PULSE GROWERS ASSOCIATION INC.

STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Administration Fund</u>		<u>Research Fund</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Fund Balances beginning of year	\$ 1,710,961	\$ 1,286,147	\$ 524,323	\$ 708,769
Excess (deficiency) of revenues over expenses	<u>298,797</u>	<u>424,814</u>	<u>185,684</u>	<u>(184,446)</u>
Fund Balances end of year	<u>\$ 2,009,758</u>	<u>\$ 1,710,961</u>	<u>\$ 710,007</u>	<u>\$ 524,323</u>

MANITOBA PULSE GROWERS ASSOCIATION INC.

STATEMENT OF OPERATIONS - ADMINISTRATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Budget 2012	2012	2011
	<u> </u>	<u> </u>	<u> </u>
REVENUE			
Administration fee (note 3)	\$ -	\$ 14,293	\$ 10,355
Advertising rebate	-	-	10,000
Check-off	1,000,000	1,458,679	1,287,203
Interest	30,000	27,610	26,788
Miscellaneous	-	300	200
Pulse Tour	1,200	1,200	1,200
	<u>1,031,200</u>	<u>1,502,082</u>	<u>1,335,746</u>
EXPENSES			
Check-off refunds	65,000	76,280	54,119
Administration	67,200	58,478	49,051
Travel	86,600	88,568	79,413
Employees	174,950	171,198	153,696
Research	650,000	650,000	400,000
Market development	119,000	113,045	120,736
Member relations	48,000	34,956	47,757
Memberships	5,260	8,760	5,260
Special crop symposium	5,000	2,000	900
	<u>1,221,010</u>	<u>1,203,285</u>	<u>910,932</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (189,810)</u>	<u>\$ 298,797</u>	<u>\$ 424,814</u>

MANITOBA PULSE GROWERS ASSOCIATION INC.

STATEMENT OF OPERATIONS - RESEARCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
REVENUE		
Interest	\$ 14,293	\$ 10,355
Research support	650,000	400,000
Crop Diagnostic School		
- registration fees	53,378	41,345
- sponsorship	4,418	-
Seed Trials		
- Pea Co-op	61,047	60,690
- Soybean	78,239	69,242
Donations and grants	42,331	81,360
	<u>903,706</u>	<u>662,992</u>
EXPENSES		
Administration fee (note 3)	14,293	10,355
Administered projects		
-Crop Diagnostic School	44,448	51,381
-Pea Co-op trials	55,050	63,810
Seed Trials - soybean	75,164	68,654
Research projects	529,067	650,394
Unallocated expenses	-	2,844
	<u>718,022</u>	<u>847,438</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 185,684</u>	<u>\$ (184,446)</u>

MANITOBA PULSE GROWERS ASSOCIATION INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

1 Purpose of the Association

Manitoba Pulse Growers Association Inc. is a member organization committed to represent the interests of the pulse growers of Manitoba in matters relating to pulses, in areas of research, market development, and liaison. The association is incorporated under the Manitoba Corporations Act as a not-for-profit organization and is exempt under the Income Tax Act under section 149 (1)(e) as an agricultural organization.

2 Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook. Outlined below are those policies considered particularly significant for the association.

Fund Accounting

The association follows the restricted fund method of accounting for contributions to the research fund and the deferral method for contributions to the administration fund.

The Administration Fund accounts for the association's program delivery and administrative activities. This fund reports unrestricted resources.

The Research Fund reports only restricted resources that are to be used for research purposes.

Capital Assets

Capital asset purchases are expensed in the operating statement.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the administration 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 administration fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

MANITOBA PULSE GROWERS ASSOCIATION INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

2 Significant Accounting Policies cont.

Check-off revenue and refunds are recognized when received.

Investment income is recognized as revenue when earned.

Seminar fees are recognized as revenue when the seminars are held.

Contributed Services

Contributed services or materials are not recognized in the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents are made up of the general and savings bank accounts.

Use of Estimates

The preparation of financial statements, in conformity with Canadian accounting standards for not-for-profit organizations 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 expenses during the reported 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.

Financial Instruments

The association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include trade accounts payable and accrued liabilities.

MANITOBA PULSE GROWERS ASSOCIATION INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

3 Administration Fee

Since fiscal 2000, the Administration Fund receives an administration fee from the Research Fund in an amount equal to the annual interest earned by the Research Fund.

4 Statement of Cash Flows

A separate statement of cash flows has not been prepared as it would not provide further relevant information to the users of the financial statements.

5 Commitments

The association has entered into funding agreements for long term research projects and has committed the following amounts.

<u>Year</u>	<u>Amount</u>
2013	\$235,417
2014	\$129,275

6 Impact of the Change in the Basis of Accounting

The associatin has elected to apply Canadian accounting standards for not-for-profit organizations.

The financial statements for the year ended December 31, 2012 were prepared in accordance with the accounting principles and provisions set out in Section 1501, First-time Adoption by Not-for-Profit Organizations, for first-time adopters of this basis of accounting.

The impact of adopting these standards was accounted for in net assets at the date of transition, January 1, 2011.

These standards allow for certain exemptions relating to intial adoption that are applied retrospectively. The association has elected to not apply the exemptions.

MANITOBA PULSE GROWERS ASSOCIATION INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

7 Financial Risk

The association is exposed to various risks through its financial instruments.

Credit risk

Credit risk is the risk that the collectors of the levies (purchasers) will fail to remit to the association. The association is not exposed to significant credit risk as remittances are due quarterly and the purchasers are bound to perform such services under the Agricultural Producers Organization Funding Act.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Trade account payables and accrued liabilities are generally paid within thirty days and bank overdrafts are settled from fund transfers from savings accounts. This risk is reduced due to the high dollar value in the savings accounts.

Interest rate risk and other price risk

The association is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed-rate instruments subject the association to the fair value risk. The exposure to this type of risk is the result of funds in bank savings accounts. The association is not exposed to price risk as the market price of cash does not fluctuate. The association's revenues may be materially impacted by changes in interest rates on its deposits. The association manages exposure by placing surplus funds in savings accounts where the applicable interest rates fluctuate with market interest rates.

2013 MPGA Budget
as presented Wednesday, February 6th, 2013
Victoria Inn and Convention Centre, Winnipeg, MB
8:30 a.m. – 9:10 a.m.

	<u>2013 Budget</u>	<u>2012 Actual</u>	<u>2012 Budget</u>
REVENUE			
Administration fee	\$ 14,000	\$ 14,293	\$
Check-off	1,200,000	1,458,679	1,000,000
Interest	28,000	27,610	30,000
Miscellaneous	-	300	
Pulse Tour	1,200	1,200	1,200
TOTAL REVENUE	<u>\$1,243,200</u>	<u>\$1,502,082</u>	<u>\$1,031,200</u>
EXPENSES			
Check-off refunds	\$ 84,000	\$ 76,280	\$ 65,000
Administration	61,050	58,478	67,200
Travel	86,600	88,568	86,600
Employees	222,850	171,198	174,950
Research	750,000	650,000	650,000
Market development	246,500	113,045	119,000
Member relations	48,300	34,956	48,000
Memberships	42,710	8,760	5,260
Special crop symposium	2,500	2,000	5,000
TOTAL EXPENSE	<u>\$1,544,510</u>	<u>\$1,203,285</u>	<u>\$ 1,221,010</u>

2012 MPGA Report

Administration

It was another record breaking year for total pulse and soybean production in 2012. For the first time ever Manitoba producers broke the one million acre mark by planting approximately 1,038,000 acres of pulses and soybeans – a 57% increase from 2011. The increase in total pulse and soybean acres was driven by the continued expansions of soybeans into non-traditional growing areas as well as strong global demand for soybeans which led to record prices.

MPGA levy revenue totaled \$1,458,679 in 2012. There were a total of 81 producers who requested a levy refund, which represented 5.2% of total levy revenues. Producers who pay the MPGA levy and do not request a refund remain eligible for the Cash Advance Program which continues to be administered by The Manitoba Corn Growers Association (MCGA). The Cash Advance Program participation remains strong and MPGA is pleased to provide this value to producers.

The Board of Directors held six board meetings in 2012. In addition to the board meetings, MPGA Directors also participated in several committee meetings and conference calls. Directors attended several key meetings and conferences this year including the Canadian Special Crops Association Convention, Croplife Canada/Grow Canada Conference, Sask Pulse Days, and FarmTech. MPGA continued its partnership with the National Sunflower Association of Canada (NSAC), MCGA, and Manitoba Agriculture, Food and Rural Initiatives (MAFRI) and helped organize the sixth annual Manitoba Special Crops Symposium. The event was held at the Victoria Inn on February 8th and 9th. MPGA also partnered with NSAC and MCGA to host a Special Crops Production Day in Brandon on March 1st to better reach our members on the western side of the province. MPGA once again organized a very successful Pulse Tour at Morden's AAFC Research Station on August 1st. In lieu of hosting a soybean tour, the MPGA increased our support of the Westman Ag Diversification Organization (WADO) Summer Tour which was held at the new WADO building in Melita on July 20th.

Research

In 2012 it became evident that the role of grower organizations in supporting research is changing. Cutbacks to agricultural programs on both the federal and provincial level will require producer organizations like MPGA to step up and fill at least some of the void in funding. MPGA is committed to ensure that researchers continue to have access to funding that provides a multitude of benefits back to Manitoba soybean and pulse growers. The MPGA firmly believes that the future sustainability and profitability of Manitoba soybean and pulse crops is tied closely to a continued investment in research.

In 2012, MPGA disbursed \$721,827 to 46 research projects that focused on agronomy, pathology, variety development, and health and utilization in edible beans, peas, soybeans and faba beans. MPGA continued to collaborate on research projects with our provincial sister organizations across Canada. Collaboration helps maximize the value of each dollar spent on research by reducing overlap and utilizing the expertise that is present within each province. MPGA also continues to work with MCVET, MAFRI, AAFC and private contractors to obtain variety trial results at various locations in Manitoba. The variety trial results provide producers with valuable information on the yield, maturity, and disease resistance of edible beans, soybeans, peas, and lentils.

Market Development

Pulse Canada

MPGA continues to support Pulse Canada and all of their initiatives, including work on market access, market development, transportation, health and nutrition, and environment and sustainability. Pulse Canada's work on market access, transportation and environment and sustainability are of particular interest to the MPGA as they impact not only affect pulse crops in Manitoba, but also soybeans.

Canadian Soybean Council (CSC)

The Canadian Soybean Council is continuing to evolve with the expansion of soybeans into Western Canada. MPGA has been involved closely with the CSC in shaping the strategic direction as the Canadian soybean industry grows. The CSC ran another successful incoming program, which saw soybean processors from Japan tour farms and research facilities in Manitoba, Ontario, and Quebec in order to become more familiar with the Canadian soybean industry. The program provided the MPGA with opportunity to give soybean importers a look at the blossoming soybean industry in Manitoba.

Local Market Development

MPGA continues to be an active member of the foodManitoba group, and our domestic market development efforts continued in 2012 with two appearances on the popular cooking show Great Tastes of Manitoba. Demand for recipe books and nutritional information is constant, from requests to the office or when MPGA has representation at events and tradeshow.

Communication

Pulse Beat continues to be the primary medium of communications with our members and is regarded as one of the best producer group publications in Canada. MPGA also started a twitter account (@MbPulseGrowers) as a new way to connect with both producers and the industry. The MPGA website (<http://www.manitobapulse.ca/>) continues to evolve and we are working to improve the ease in which it can be navigated to ensure that information can be sought out and found easily.

MPGA Membership Survey

In December, the MPGA launched its first ever member survey to help understand how we can better communicate with our members and gauge our members awareness of what the MPGA is doing to provide value to producers. The full results of the survey will be released in spring 2013 and will be available on the MPGA website.

Manitoba Pulse Growers Association Inc.

38 4th Avenue NE
PO Box 1760
Carman MB R0G0J0
www.manitobapulse.ca

P: 204-745-6488
F: 204-745-6213
Toll free: 1-866-226-9442

