



ALBERTA PULSE GROWERS  
ANNUAL REPORT  
2011-2012



# TABLE OF CONTENTS

---

Vision and Mission, Goals, and Values ..... 4

President’s Message ..... 5

Executive Director’s Message ..... 6

Standing Committee Reports ..... 7

    Research ..... 8

    Extension ..... 9

    Risk Management ..... 10

    Sustainability ..... 10

    Communications ..... 11

Standing Committee Representation ..... 11

Zone Reports ..... 12

2011-12 Financial Statements ..... 14

Commissioners and Staff ..... 30



# VISION AND MISSION

---

## **Vision:**

Have Alberta pulses recognized by consumers as environmentally friendly, healthy, and nutritional and by all producers as being an essential element in a sustainable cropping system.

## **Mission:**

To provide leadership, increasing the competitiveness, profitability, and sustainability of pulse production as well as promoting the health and environment benefits of pulses.

# GOALS

---

## GOAL 1: ORGANIZATIONAL EFFECTIVENESS AND GOVERNANCE RENEWAL

- Strengthen relationships and collaborate with other organizations for the benefit of advancing APG initiatives.
- Improve APG's governance, structure, and policy to carry out strategic blueprint.
- Communicate effectively between and within board, committees, zones, and staff.
- Provide leadership training for current board effectiveness and succession planning.
- Build enthusiasm to attract producer involvement and support APG.

## GOAL 2: CREATE AND MAINTAIN MARKET DEMAND

- Develop the pulse brand as a healthy food option and promote it to dieticians/health professionals and youth.
- Support research to improve understanding of fractions and their functionality in food products and identify pulse health benefits.
- Support Pulse Canada to create and expand international and domestic markets (including market access).
- Enhance non-traditional value added markets in Alberta (AB niche markets, processing).
- Position APG as an innovative leader in the Canadian pulse industry.
- Promote quality of Canadian/Alberta pulses to domestic and international buyers.

## GOAL 3: INCREASE PRODUCER PROFITABILITY

- Fund research to support new varieties (breeding), disease resistance, rotational benefits, and improved quality.
- Ensure research capacity exists to conduct pulse production research in the next 5, 10, 20 years.
- Develop risk management tools that are equitable with those of other crops.
- Communicate research results to producers on agronomic and varietal information.

# VALUES

---

The following values guide our organization:

- Optimism
- Integrity and Professionalism
- Focused
- Build and Maintain Relationships
- Innovative Industry Leaders
- Free Enterprising

# PRESIDENT'S MESSAGE



One thing strikes me when I think back to the year we had at Alberta Pulse Growers in 2011-12.

Change.

In our organization and in our industry, near-constant change drove us to think proactively, to work cooperatively, and to plan strategically in an effort to sustain and increase the growth we've seen in the pulse industry over the last several years.

The work we have done – and continue to do – has allowed the organization to make good progress on the strategic goals the Commissioners approved in March 2011.

## GOAL 1: ORGANIZATIONAL EFFECTIVENESS AND GOVERNANCE RENEWAL

This includes strengthening our relationships with other organizations and producers and improving our communication, governance, and structure in order to carry out our strategic blueprint. Key achievements include:

- **A Full Staff Complement:** With two employee vacancies – one full-time and one part-time – to fill, Executive Director Leanne Fischbuch received Board support to add an additional full-time staff member to the organization. In August 2011, Leanne hired two new professionals to fill the full-time vacancies: Communications Coordinator Jennifer Blair and Member Relations Coordinator Duane Ransome. In October, Rhonda Lafreniere was hired to fill the vacant part-time Administrative Assistant position. Fully staffed, the organization has become more efficient and effective as all staff work to grow the pulse industry.
- **Two New Standing Committees:** Some governance changes were needed to accommodate the change in staffing. The Communications Committee was renamed the Extension Committee, with a primary focus on extension activities in the zones. A new three-person Communications Committee was then created to provide support for the organization's communications activities,

including *Pulse Crop News* and APG's Communications Plan. A second new committee – Audit and Finance – was developed as a risk management tool to offer increased oversight on the Commission's finances. These changes to our governance structure have helped APG enhance its activities and reduce its members' risk.

## GOAL 2: CREATE AND MAINTAIN MARKET DEMAND

This includes developing the pulse brand among consumers, international markets, domestic buyers, and value-added niche markets to increase market demand. Key achievements include:

- **International Trade Missions:** As part of a delegation with Pulse Canada to India and United Arab Emirates in March, Zone 2 Commissioner Richard Krikke saw first-hand the need for Canadian pulses in our major export markets. Leanne Fischbuch and Zone 4 Commissioner Nick Sekulic heard this message as well on their visit to Dubai in April, when they attended the CICILS IPTIC international pulse trade convention. Building strong ties with our primary pulse markets has been a major priority and area of success for the organization.
- **Consumer-based Research and Promotions:** APG continues to invest in consumer-based research, exploring the use of pulse fractions in food products and identifying health beneficial traits in pulses. In addition, we continue to partner with Pulse Canada and our provincial counterparts on consumer-based promotions, including the student food development competition Mission ImPULSEible.

## GOAL 3: INCREASE PRODUCER PROFITABILITY

This includes funding and conducting strategic research to support new varieties, disease resistance, improved quality, and rotational benefits, thereby helping to ensure producers' profitability. Key achievements include:

- **Research Project Support:** Research continues to be APG's single most important priority. Investing in strategic agronomic research, new varieties with increased yield and lodging resistance, and regional research activities has increased the competitiveness of pulses as a viable rotational crop in Alberta.
- **Public-Private Partnerships in Pulse Breeding:** Last year, APG commissioned a study into the impediments to private investment in pulse breeding. The findings from this study will be used in the coming year to further explore, in partnership with other grower groups, public-private partnerships in Canadian pulse breeding.

Indeed, change in 2011-12 has yielded great rewards for Alberta Pulse Growers and the producers we support.

Gerry Good  
President

# EXECUTIVE DIRECTOR'S MESSAGE

This year has been memorable on many fronts. Learning, organizing, growing, and leading have been aspects of 2011-12. As a newcomer to the pulse industry, it has been a year of learning and understanding, in turn growing our organization and showing leadership for our industry as we move forward. Alberta Pulse Growers as a Commission was created in 1989, and now, 23 years after the establishment of the Commission as it is today, there have been significant changes.

What the industry was like in 1989 is not what it is like today. Pulse crops are more understood by growers than they were in 1989; consumers are beginning to taste the goodness of the product and are starting to consume pulses; and companies are considering pulses as part of their ingredient mixes – as whole or split products, flours, and fractions.

Coming from a reasonably good crop year in 2010-11 with harvests not quite being record setting but certainly strong, APG rolled into the new fiscal year with solid revenue principally due to strong prices throughout the season. From August onward, crop pricing was the best it has ever been for many of the pulse crops, and the usual lulls were nowhere to be seen for practically the whole year. This led to the greatest revenue accumulation in a year for the organization of \$2.79 million.

These financial resources enabled the organization to take on some key initiatives throughout the year, such as a ramped up demo and plot tour program, website development, and, as a core activity and the cornerstone of APG investment, investing in research to advance Alberta's pulse industry.

## RESEARCH AND INVESTMENTS

It is important to APG that we are responsible investors in research for our growers. When we look at the activities of the various types of research that APG is involved in, it is as diverse as investigation of the prevention of stress-induced seed pod loss through hormone treatments to masking the flavour of pea in food products and discovering how pulse fractions fit into ingredient profiles to investing in analysis of competitive markets.

From agronomic advancements, including extension work, marketing opportunities to policy development, APG considers how our investments will effectively move the pulse industry forward and also provide the best return for our growers. This year, APG expenditures on projects from the various areas totalled \$1.24 million.

In addition to project expenditures, APG also invested \$398,110 in project and core funding to Pulse Canada, the

national pulse industry association who are critical to our industry and focus activities in the areas of Market Access, Market Growth and Innovation, Transportation, Environment, and Industry Initiatives. It is critical that APG continue to support and engage in the activities of Pulse Canada as they play a significant role at a broader national level and have strong advocacy for our growers in the industry.

It will be busy time ahead as APG is preparing for funding commitments for 2012-13 in research (agronomic and extension), marketing, and policy and further investment in Pulse Canada, and we are constantly looking at where our industry resources are best focused for future research and investment opportunities.

## PUBLIC-PRIVATE PARTNERSHIPS

APG continued its interest in private-public research with its investigation of impediments to private sector research in pulse breeding for Western Canada. A report was completed for the organization that outlined the challenges that the pulse industry is facing in this area, as well as the various models of investment

returns from across the globe that the industry could investigate to encourage public-private partnerships in Canada for pulse breeding work.

This initiative is critical to the pulse industry, as it is directly linked to pulse crop competitiveness. APG feels that this initiative is a broader issue. At the close of the fiscal year, APG was preparing a funding application that proposed to bring together the western Canadian pulse grower organizations in partnership to investigate opportunities to develop Public-Private Investment in Plant Breeding for Western Canadian Pulse Growers. Subsequent to the end of the fiscal year, APG learned that the application was successful, and Alberta will continue to lead this discussion with further work in 2012-13.

## THE FUTURE

Quickly, it has moved into 2012-13 year, and APG has many significant discussions to contemplate and decisions to make on many fronts. Some major initiatives that are on the agenda for 2012-13 include:

- Finalize, review, and support a five-year research and development strategy that will create a roadmap for future project direction;
- Collaborate with provincial pulse organizations to deliberate and prepare a proposal for the next version of federal government funding investment to leverage research and agronomy project investment;

“Members of this organization are leaders in the agriculture industry in Alberta, and we look forward to the pathway that our growers have envisioned for us – join us in the journey.”

- Participate with national counterparts to contribute to and support the next five-year strategic plan for Pulse Canada; and
- Confirm and support the communications plan for APG, which includes a planned website redevelopment and a branding revitalization for 2013.

Throughout the year, it was the tireless work of volunteer Commissioners, Zone Advisors, and industry and government representatives who contributed to the work of the various committees and the Provincial Board, which was integral to the successes of APG. But in addition to the leaders of the organization, you also need a dedicated staff that is prepared to support and enable organization success.

Developing a new team of staff for APG was a high priority, and the new team was finalised October 2011. This group of motivated and dedicated staff bring a valuable number of resources to complement the objectives of the organization, and it has been a pleasure to work with this energetic, resourceful, and hardworking team.

I look forward to another successful year with this team supporting the entrusted leadership of the pulse industry in this province.

**Leanne Fischbuch**  
Executive Director

## MARKETING COMMITTEE REPORT



The Alberta Pulse Growers Marketing Committee objective is to review and recommend support for projects and provide advice and guidance on the marketing objectives of the organization. The committee met twice by conference call in 2011-12.

For 2011-12, the Committee recommended support for three Quality Food and Health (QHF) projects by participating in a call for proposals from Alberta Innovates Bio-Solutions. Total project investment for the three QHF projects from APG was \$410,000. The total value of the three QHF projects was over \$2.4 million. In addition, the Marketing Committee also reviewed and recommended project funding support to four Agricultural Innovation Projects developed by Pulse Canada and one marketing project through the Agriculture Funding Consortium Fall 2011 process. The table on page 8 shows APG's investments in projects for 2011-12.

The Marketing Committee also oversees the work plan and budget for projects with APG's Food and Nutrition Consultant, Wendy Benson RD, MPH.

Key activities under the food and nutrition portfolio for 2011-12 included the following:

- 2012 provincial edition of Mission ImPULSEible where 10 student teams competed to develop new pulse ingredient-based foods. The winners from NAIT represented Alberta at the national competition. Elizabeth Dowdell and Mallory Bowes created BE\*Lite – a dry scaled cake mix using chickpea and fava bean flour. BE\*Lite just missed the top prize in the national competition held during the Canadian Special Crops Association Conference in June.
- ‘Spilling the Beans’ Promotion with Dietitians in the Edmonton area. The new cookbook, ‘Spilling the Beans’ written by Julie Van Rossendaal and Sue Duncan, was highlighted in an evening event by the authors at Ernest’s Dining Room at NAIT. Over 130 people attended and learned about the versatility of pulses in fabulous foods.
- The school Career and Technology Studies (CTS) programs were also recipients of materials, with 55 teachers using the resources to reach approximately 7,200 students to share knowledge about cooking and eating pulses.

**Nick Sekulic**  
Chair, Marketing Committee



The following table summarizes APG investment in projects for 2011-12.

PROJECT TITLE AND INVESTIGATOR	TOTAL PROJECT	APG COMMITMENT
QHF - Beans, peas and increased weight loss and blood sugar control (Dr. Raylene Reimer)	\$481,400	\$75,000
QHF-Reduced beany flavour in pea flour, and improved taste and nutrition (Dr. Jay Han)	\$611,580	\$110,000
QHF-Beans, peas, lentils, chickpeas and reduced cholesterol (Dr. Rhonda Bell)	\$1,313,658	\$225,000
AIP -Identifying the key components in beans responsible for the cholesterol-lowering effects; Principal Investigator for Activity (Dr. Peter Jones)	\$92,400	\$5,775
AIP -Determining the physiological efficacy of pea fractions in relation to cholesterol and lipid lowering (Dr. Peter Jones)	\$94,400	\$23,100
AIP -Determining the physiological efficacy of pea fractions in relation to blood glucose attenuation and satiety. (Dr. Harvey Anderson)	\$96,611	\$24,153
AIP-Determining the digestibility and nutritional quality of food products containing pulse ingredients (Dr. Joyce Boye and Dr. Linda Malcolmson)	\$290,000	\$18,125
FC- Development of a pea protein meat analogue by high moisture extrusion (Dr. Xiangfang Meng)	\$81,000	\$12,000
<b>Total Investment</b>	<b>\$3,061,049</b>	<b>\$493,153</b>

## RESEARCH COMMITTEE REPORT



The Research Committee meets four to five times a year to review new project proposals and to evaluate currently supported projects pertaining to pulse breeding, pathology, and agronomy.

In the past season, 29 agronomy-based research projects were supported by Alberta Pulse Growers. APG's contribution of \$441,477 was leveraged through partnership with Ag and Food Council, Alberta Funding Consortium, as well as federal funding through the Pulse Science Cluster, which is a federal program involving both AAFC and all of the provincial pulse organizations.

Jenn Walker (APG staff), Rob Dunn (ARD) and myself, had the opportunity to attend the Biennial Bean Improvement Cooperative (BIC) and North American Pulse Improvement Association Biennial Meeting (NAPIA) held in Puerto

Rico last November. It was an excellent opportunity to see where research is going internationally and to network with researchers from across North America.

A shift has occurred in the past year. Previously, research projects were submitted through a variety of funding calls and then considered by first the Research Committee, and projects recommended were then submitted to Alberta Pulse Growers for final approval.

Over the past year, in anticipation of various opportunities to secure project funding, APG staff have been approached for their input in project development and the growers' priorities. This is an exciting shift, as APG is becoming recognized for supporting high-quality research that is relevant and leading edge.

Over the last several months, staff have been drafting a research strategy document, which will be presented to the various committees for input and furthermore to the Commissioners of the Provincial Board for approval. This document will guide the agronomic, marketing, health and nutritional, and policy research that we participate in as an organization. This will provide much needed direction as we move into the next several years.

Casey Koomen  
Chair, Research Committee



# EXTENSION COMMITTEE REPORT

It has been an exciting year for the Alberta Pulse Growers' Extension Committee. The Committee met on March 15 and launched an aggressive extension plan for the summer. There were four extension projects approved, and the Committee also agreed to support zone extension initiatives and participate in a series of crop tours and field days.

The very popular Pulse Agronomy Network (PAN) program was also approved to run through the growing season and has once again been a very good source of timely agronomic information to growers actively producing pulse crops.

The four extension projects approved were as follows:

- 1. The Southern Alberta Pulse Extension Program – Farming Smarter.** In this project Farming Smarter set out a plan to deliver and promote pulse-related information to areas throughout southern Alberta and discuss crop rotational benefits to producing pulse crops. Disease and weed issues, regional variety trials, winter pulse crops, herbicide efficacy trials, and others all comprised parts of this project. The diagnostic schools and field days in Lethbridge and Medicine Hat this summer reached large audiences, and the Committee looks forward to further distribution of materials this winter from Farming Smarter.
- 2. Weed Management Options in Lentils – Chinook Applied Research Association.** Many weed control options were evaluated in lentils, including the following treatments: Control (no herbicide), Edge + pre-plant Round-up + in-crop Odyssey, pre-seed Round-up + HEAT, pre-seed Round-up + HEAT + in-crop Poast Ultra, pre-seed Round-up + HEAT + in-crop Odyssey, pre-seed Round-up + in-crop Odyssey, pre-seed Round-up + in-crop Odyssey DLX, pre-seed Round-up + in-crop Solo, and pre-seed Round-up + 1/3 rate Pursuit. Lentil is a crop that doesn't compete strongly with weeds, so the Extension Committee felt this was a very worthwhile trial. We were happy to participate in the field day on July 19 and look forward to further trial results.
- 3. Integrated Management of Ascochyta in Field Pea – Battle River Research Group (and other partner organizations SARDA, LARA, and MARA).** This project aimed to monitor field pea sites at Falher, St. Paul, Forestburg, and Fort Vermilion and evaluate Apron Maxx and Vitaflo280 seed treatments along with various foliar fungicide applications. The effect of these treatments on both lodging and yield was to be documented. With the importance of ascochyta as a pest in field pea crops in the province, the Extension Committee supported this project's advancement and awaits anxiously the results of the study.
- 4. Effect of Seed Treatments on Yield and Economic Return in Field Pea – Gateway Research Organization.** The goal was to determine seed timing and seed treatment effects in the black soil zone for benefits to field pea

production. This area is of key importance to pulse producers in many parts of Alberta.

Alberta Pulse Growers also embarked on our own demonstration strip trial program this spring and accomplished sites at Alberta Innovates in Vegreville, Harbin Seed Farm in Rivercourse, Good Limousin Ranch in Linden, Bellagri near Drumheller, Doug Sell's and Barry Grabo's farm north of Strathmore, Bear Hill Farms near Wetaskiwin, and Neil Boyd's farm near Fairview. Sites featured different varieties of fababeans, lentil, and sometimes soybean, typically planted in a field of pea. These sites were toured throughout the summer, with main tour dates of July 11, 20, 23, and 31.

In addition to our demonstration plots and crop tours, we also embarked on a Pulse Project Recognition Program to take place in Alberta colleges and universities that have agriculture programs. In the first year of the program, students will be encouraged to do pulse crop projects and submit them to the Committee for evaluation. The winning project (or projects) will be recognized via publication in *Pulse Crop News* or participation in one of our events. In the future, the program is envisioned to grow into a full scholarship or bursary program in support of young adults from pulse grower families who choose to advance their agricultural education upon completion of their high school years.

It was a busy summer to say the least – and it went by in a blur as always. The Extension Committee of Alberta Pulse Growers would like to extend our sincerest thanks to all producers who attended Commission events this summer and would also like to extend our hopes that harvest has gone well and everybody was able to get the crop in the bin in good shape this year.

Gordon Tuck,  
Chair, Extension Committee



# RISK MANAGEMENT COMMITTEE REPORT

---

As a grower-focused organization, APG is working provincially as well as nationally to provide a voice to the risk-management discussion.

## PROVINCIAL

Each province provides slightly different risk management services for their producers. In Alberta, APG connects regularly with Agriculture Financial Service Corporation, Alberta's insurance provider, to enable better risk management options for growers at home. The collaboration and sharing of information helps to provide background and history to develop products for Alberta pulse growers that make sense for their risk management portfolio.

For example, in 2011-12, APG worked with AFSC to look at fababean coverage, yield normals, typical growing areas and acres, and data in irrigated and dryland. Work on this topic stemmed from a resolution adopted at the January 2012 Annual General Meeting. The resulting investigation explained that fababean is a relatively new crop with only 10 to 14 years of history and yield normals. These numbers are lower than what growers have seen in practice. To increase the yield normals for better coverage will inevitably increase costs of coverage for growers. APG has not yet decided how to proceed with this information, but as the crop interest increases and producers choose to grow fababean, this will increase the amount of data harvested and APG hopes that eventually leads to better coverage. APG will continue to track and share information with AFSC to build up the databank for fababean.



APG is also investigating splitting red and green lentil coverage. Currently, coverage for both market classes is treated as one. As green lentil was the first of the two classes to gain crop history in Alberta for insurance purposes, the red lentil data is lacking. Growers who insure lentils are pooled with both the red and green market classes. Through research with AFSC, APG has learned that, at this point in time, there is no advantage to splitting out the two classes. APG will revisit this topic again in two to three years.

## NATIONAL

On the national stage, one of APG's key methods of achieving risk management influence from a federal perspective is through our support and participation with Grain Growers of Canada. APG is a member of Grain Growers of Canada, and this enables our voice to be added to other crop sector representatives when commenting about risk management options. Grain

Growers keeps connected to discussions regarding safety nets and risk management programming, providing input to the consultative process.

Grain Growers also focuses on other areas of interest, such as public research, trade, bio-tech, fuels, products and environment, marketing, and transportation, but key to APG's needs, safety nets and public research are our main focus. Harold Haugen is APG's representative at Grain Growers of Canada and Jack Van Tryp is the Alternate, with Executive Director Leanne Fischbuch also participating.

# SUSTAINABILITY COMMITTEE REPORT

---

Alberta Pulse Growers cultivates an interest in the sustainability of agriculture through the work of the Agri-Environmental Partnership of Alberta. APG participates with others from across the many sectors of the agriculture industry and the three levels of government to learn about aspects of conservation and stewardship of land, air, water, and biodiversity resources and to provide comment and dialogue on policy developments. APG has committed to supporting AEPA again for another three-year timeframe.

AEPA met six times within APG's fiscal year, with APG representatives attending the majority of the meetings. Some of the key areas of work with respect to the cropping side of agriculture have been on the water file and working to provide comments on Regional Advisory Committee work

for the development of Regional Plans and on key messages for land use planning. Neil Boyd, Commissioner from Zone 4, and Leanne Fischbuch, Executive Director (Alternate), are representatives on the AEPA.

In addition to AEPA, APG is a member of the Crop Sector Working Group (CSWG) – an affiliation of representatives from the various crops organizations in the province. APG and others supports a Policy and Program Coordinator position led by Sharon McKinnon. Ms. McKinnon engages with the various stakeholders on behalf of CSWG, which enables grower groups to have a voice at the table with expertise on various issues pertinent to the sustainability and environmental impacts for producers. The CSWG met once last year. Neil Boyd is the Vice-Chair of the CSWG.

# COMMUNICATIONS COMMITTEE REPORT



Ratified in January 2012, APG's Communications Committee was created to provide timely support for APG's communications activities. This committee provides input on APG's Communications Plan, *Pulse Crop News*, and major communications projects, including one that

was brought forward for 2011-12: the Branding and Website Redevelopment Project.

Recognizing the need for a clear, consistent brand and an updated website, APG's Board of Commissioners approved a project in November 2011 to review and refresh the organization's brand, as well as its website. In approving the project, the Board also recognized that a project like this requires skilled partners.

In March 2012, APG's Communications Committee distributed a Request for Proposal to twelve Alberta agencies with expertise in branding and website development. With six proposals received, APG's Communications Committee met in

April to choose two candidates for in-person interviews, which were conducted in early May. All of the proposals received met APG's needs, but in the end, the Communications Committee selected AdFarm, an agency that has deep roots in both agriculture and communications.

Based out of Calgary, AdFarm has worked exclusively in agriculture and rural development marketing and communications since it formed over 20 years ago. In that time, AdFarm has partnered with companies like UFA, Bayer CropScience, Dow AgroScience, CASE, and the Alberta Beef Producers on a variety of projects, including website development, branding, event planning, and advertising campaigns.

The Communications Committee, alongside APG staff and Commissioners, worked closely with AdFarm over the summer to define APG's brand and craft a more user-friendly website that appeals both to producers and consumers. The new brand - including a new logo - and the redesigned website will launch in late January 2013.

Gerry Good  
Chair, Communications Committee

## OUR STANDING COMMITTEES

### MARKETING COMMITTEE

Nick Sekulic - Commissioner - Zone 4  
Ken Rewerts - Commissioner - Zone 4  
Richard Krikke - Commissioner - Zone 3  
Harold Haugen - Commissioner - Zone 5  
Rodney Volk - Advisor - Zone 1  
Blair Roth - Industry  
Shelley Wetmore - Industry  
Peter Watts - Pulse Canada  
Alan Dooley - Government

### RESEARCH COMMITTEE

Casey Koomen - Commissioner - Zone 1  
Robert Weisgerber - Commissioner - Zone 1  
Ryan Kubinec - Commissioner - Zone 3  
Les Bell - Advisor - Zone 2  
Kevin Zaychuk - Industry  
Rob Dunn - Government  
Tom Machachek - ACIDF

### FINANCE COMMITTEE

Ryan Kubenic - Commissioner - Zone 3  
Richard Krikke - Commissioner - Zone 3  
Gordon Tuck - Commissioner - Zone 5

### EXTENSION COMMITTEE

Gordon Tuck - Commissioner - Zone 5  
Jack Van Tryp - Commissioner - Zone 1  
Ben Janz - Advisor - Zone 1  
Murray Wiersma - Advisor - Zone 2  
James Jackson - Advisor - Zone 3  
Linda Schmidt - Advisor - Zone 4  
D'Arcy Hilgartner - Advisor - Zone 5  
Randy Saskiw - Industry  
Jack Payne - Industry  
Ken Coles - Industry  
Robyne Bowness - Government

### COMMUNICATIONS COMMITTEE

Gerry Good - Commissioner - Zone 2  
Barry Grabo - Commissioner - Zone 2  
Allison Ammeter - Advisor - Zone 2

### RISK MANAGEMENT

Casey Koomen - Commissioner - Zone 1  
Jack Van Tryp - Commissioner - Zone 1  
Gerry Good - Commissioner - Zone 2  
Richard Krikke - Commissioner - Zone 3  
Gordon Tuck - Commissioner - Zone 5

# ZONE REPORTS

Alberta Pulse Growers is proud to have geographic representation from across the province, in the form of advisory councils consisting of up to eight zone advisors elected by local membership. Two advisors from each zone also serve as Commissioners on the Provincial APG Board to ensure a strong producer voice is heard in the promotion of pulse crops at home and abroad.

## ZONE 1

In Zone 1, Farming Smarter conducted a very thorough extension program looking at winter pulse production, herbicide efficacy, rotational benefits of growing pulses, and the pulse regional variety trial. Field schools in Lethbridge from July 10 to 12 and in Medicine Hat on August 1 were extremely well-attended, as membership in the area continues to see great value in planting a large number of pulse acres each year.

APG also co-hosted a tour series headlined by Ducks Unlimited Canada (DUC) and involving the Alberta Winter Wheat Producers Commission (AWWPC) and the Alberta Canola Producers Commission (ACPC) in Lethbridge on July 26 and hosted a small group at the Crop Diversification Centre in Brooks to check in on the regional variety trials and breeding efforts on-going under the direction of Dr. Manjula Bandara on July 18. Agriculture and Agri-Food Canada (AAFC) plant breeder Dr. Parthiba Balasubramanian; Alberta Agriculture and Rural Development (AARD) Researcher Dr. Ross McKenzie; and the Viterra Bean Division hosted a tour of bean breeding plots and solid-seeded bean trials on July 19.

## ZONE 2

In Zone 2, APG partnered with the Chinook Applied Research Association (CARA), independent cooperators, and the DUC-

led coalition that included multiple crop commissions once again to bring as much information to producers as possible. At CARA, herbicide options in lentil were demonstrated at a tour in the Oyen area on July 19. Tours of demonstration strip trials of lentil and fababeen strips set in pea fields at independent cooperators' farms took place on July 20 and 23 in Strathmore, Linden, and Wetaskiwin.

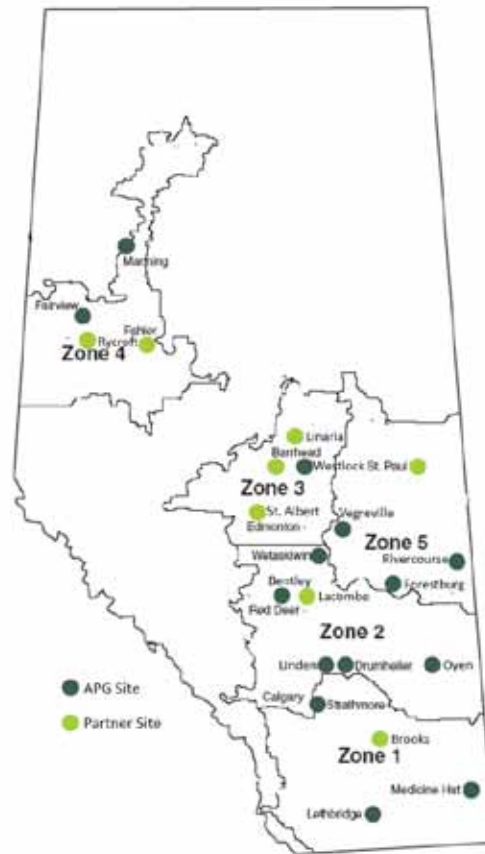
The event co-hosted alongside DUC and partners took place at the AARD Research Station in Lacombe on June 19. Finally, on August 25, a tour of Harvey Brink's fababeen fields happened in the Bentley area. At that event, APG hosted a small delegation of scientists from China, heard presentations regarding production and marketing of fababeen, and provided a hot barbeque lunch at a nearby church not far from Bentley.

## ZONE 3

Zone 3 partnered on research and demonstration material with the AARD pulse team led by Dr. Mark Olson, and a local ARECA member also conducted a pulse-related demonstration project. The Gateway Research Organization (GRO) conducted a demonstration project that looked to evaluate the effects of seed treatment on yield and economic

return in field pea crops in the black soil zone, which involved planting and maintaining plots and taking notes to document yield robbing agents.

As part of APG's demonstration material in Zone 3, APG showcased lentil, pea, and fababeen plots to producers and area agronomists on June 26 and July 24 at the University of Alberta Research Farm near St. Albert and on June 28 and July 26 at Mueller Seed Farms near Barrhead. The organizations





SOYBEAN



LENTIL

was pleasantly surprised to have Denis Tremorin, Manager of Sustainable Production with Pulse Canada, show up and take in the St. Albert farm tour on July 26. APG also presented pulse-related information as part of the Cliff Cyre Seed Farm Tour on August 8 near Linaria.

#### ZONE 4

Plots in Zone 4 were with Neil Boyd in the Fairview area, the Smokey Applied Research and Demonstration Association (SARDA) in Rycroft and Falher, and the North Peace Applied Research Association (NPARA) in Manning. Demonstration strip trials were planted and maintained at these sites to show producers some other pulse options, including lentil, fababeans, and field pea. The DUC tour series that also involved APG, ACPC, and AWWPC made a stop in the Rycroft area on July 4.

Unfortunately, seeding and spraying challenges took away a bit of lustre – especially in the lentil plots – but it allowed us to show the absolute requirement to hit the correct plant stands and apply herbicides at the appropriate time and at registered rates. APG also participated in excellent field schools with the ACPC in Fairview at the Peace Applied Research and Demonstration Association (PARDA) and at Neil Boyd’s farm on July 11 and later that same day at NPARA. The following day, APG attended the SARDA Field Day near Falher and had a chance to work with the ACPC and visit with some producers next to a fantastic-looking pea Regional Variety Trial.

#### ZONE 5

Zone 5 had some very interesting plots this past summer. The local advisory council set out to see how early-planted soybean would perform and ran this project alongside a demonstration of other pulse crops. As it turned out, planting wasn’t able to be completed until late May, but this year, the soybean harvest did get completed, and we have some excellent information to share with producers over the coming months.

The Zone 5 plots included two varieties of soybean, two varieties of fababeans, and three varieties of lentil grown at Harbin Seed Farm near Rivercourse and at Alberta Innovates Technology Futures in Vegreville. Tours in the zone happened June 27 and July 25 at the APG Vegreville demonstration site at Alberta Innovates Technology Futures and at the AARD Research Farm south of Vegreville in partnership with their crop walk program, as well as on July 31 at the Rivercourse site. In addition to these functions in Zone 5, we also funded a project led by the Battle River Research Group entitled “Demonstration of Integrated Control of Ascochyta Blight in Field Pea” and took part in the pulse portion of the LARA Field Day in St. Paul on August 1.

Duane Ransome  
Member Relations Coordinator



FABABEAN



CHICKPEA

# 2011-12 FINANCIAL STATEMENTS

---



#220, 5906 - 50 Street, Leduc, Alberta T9E 0R6  
Telephone: (780) 986-9398  
Fax: (780) 980-2570  
email: [office@pulse.ab.ca](mailto:office@pulse.ab.ca) website: [www.pulse.ab.ca](http://www.pulse.ab.ca)

---

## Management's Responsibility

To the Members of the Alberta Pulse Growers Commission:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Commissioners who are neither management nor employees of the Commission. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Commission's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

November 6, 2012

  
Executive Director

## Independent Auditors' Report

To the Members of the Alberta Pulse Growers Commission:

We have audited the accompanying financial statements of the Alberta Pulse Growers Commission, which comprise the statement of financial position as at July 31, 2012, and the statements of revenue and expenditures, changes in members' equity, cash flows and supporting schedules 1 to 8 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.

### *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 the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Basis for Qualified Opinion*

The Alberta Pulse Growers Commission derives the majority of its revenue from levies submitted on behalf of producers of pulse crops. The recognition of this revenue is initiated by the registered dealer at the time of delivery and reported to the Commission. Since it is not possible for the Commission to ensure that all revenues are reported, the completeness of revenues are not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts reported by registered dealers to the Commission and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets or surplus.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraph, the financial statements present fairly in all material respects, the financial position of the Commission as at July 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Leduc, Alberta

November 6, 2012

**MNP LLP**  
Chartered Accountants

## Alberta Pulse Growers Commission Statement of Revenue and Expenditures

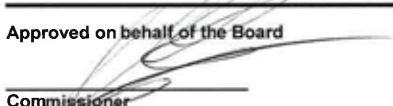

*For the year ended July 31, 2012*

	<b>2012</b>	<b>2011 (Restated)</b>
<b>Revenue</b>		
Communication and Extension - Schedule 1	27,291	47,209
Market Development - Schedule 2	25,386	22,030
Research - Schedule 3	29,260	109,787
Grant Projects - Schedule 6	669,466	563,731
Zones - Schedule 7	85,082	80,058
Administration - Schedule 8	2,748,547	2,470,069
Less: Zone revenue transferred from operations (Note 3)	(22,500)	(21,900)
Less: Transfer to deferred revenue - Schedule 6	(76,056)	(137,688)
<b>Total revenue</b>	<b>3,486,476</b>	<b>3,133,296</b>
<b>Committee expenditures</b>		
Communication and Extension - Schedule 1	166,213	136,615
Market Development - Schedule 2	787,320	426,906
Research - Schedule 3	405,371	627,509
Risk Management - Schedule 4	31,565	35,848
Sustainability and Trace - Schedule 5	3,560	19,024
Grant Projects - Schedule 6	628,482	398,147
Zones - Schedule 7	67,259	77,459
Administration - Schedule 8	651,314	562,803
<b>Total expenditures</b>	<b>2,741,084</b>	<b>2,284,311</b>
<b>Excess of revenue over expenditures</b>	<b>745,392</b>	<b>848,985</b>



**Alberta Pulse Growers Commission**  
**Statement of Financial Position**

*As at July 31, 2012*

	Head Office	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	2012	2011 (Restated)
<b>Assets</b>								
<b>Current</b>								
Cash	1,365,096	21,313	17,429	59,040	9,111	12,823	1,484,812	508,105
Guaranteed investment certificates	1,460,685	-	44,705	-	9,609	40,362	1,555,360	1,887,348
Accounts receivable	383,941	-	-	-	-	-	383,941	425,893
Prepaid expenditures	64,961	-	-	350	-	-	65,311	37,550
<b>Total current assets</b>	<b>3,274,683</b>	<b>21,313</b>	<b>62,134</b>	<b>59,390</b>	<b>18,720</b>	<b>53,185</b>	<b>3,489,424</b>	<b>2,858,896</b>
<b>Capital assets (Note 4)</b>	<b>15,506</b>	<b>24,076</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,583</b>	<b>54,933</b>
<b>Total assets</b>	<b>3,290,189</b>	<b>45,389</b>	<b>62,134</b>	<b>59,390</b>	<b>18,720</b>	<b>53,185</b>	<b>3,529,007</b>	<b>2,913,829</b>
<b>Liabilities</b>								
<b>Current</b>								
Accounts payable and accruals	112,073	-	-	6,638	-	-	118,711	201,716
Research payable	26,225	-	1,500	22,000	-	7,360	57,085	38,460
Deferred revenue (Note 5)	77,456	-	-	-	-	-	77,456	143,290
<b>Total liabilities</b>	<b>215,754</b>	<b>-</b>	<b>1,500</b>	<b>28,638</b>	<b>-</b>	<b>7,360</b>	<b>253,252</b>	<b>383,466</b>
<b>Commitments (Note 7)</b>								
<b>Members' equity</b>								
Accumulated surplus	1,742,044	21,313	60,634	30,752	18,720	45,825	1,919,287	1,710,833
Equity in capital assets	15,506	24,076	-	-	-	-	39,583	54,933
Reserves (Note 6)	1,316,885	-	-	-	-	-	1,316,885	764,597
<b>Total members' equity</b>	<b>3,074,435</b>	<b>45,389</b>	<b>60,634</b>	<b>30,752</b>	<b>18,720</b>	<b>45,825</b>	<b>3,275,755</b>	<b>2,530,363</b>
<b>Total liabilities and members' equity</b>	<b>3,290,189</b>	<b>45,389</b>	<b>62,134</b>	<b>59,390</b>	<b>18,720</b>	<b>53,185</b>	<b>3,529,007</b>	<b>2,913,829</b>
Approved on behalf of the Board								
								
Commissioner		Commissioner						

**Alberta Pulse Growers Commission**  
**Statement of Changes in Members' Equity**

*For the year ended July 31, 2012*

	Accumulated surplus	Reserves	Equity in capital assets	2012 Totals	2011 Totals (Restated)
<b>Opening, as previously stated</b>	<b>1,653,926</b>	<b>764,597</b>	<b>54,933</b>	<b>2,473,456</b>	<b>1,681,378</b>
Correction of error (Note 11)	56,907	-	-	56,907	-
Opening, as restated	1,710,833	764,597	54,933	2,530,363	1,681,378
Excess of revenue over expenditures	745,392	-	-	745,392	848,985
Amortization	15,206	-	(15,206)	-	-
Additions to capital assets	(27,753)	-	27,753	-	-
Net book value of assets disposed	27,897	-	(27,897)	-	-
Transfer to reserve	(552,288)	552,288	-	-	-
<b>Ending</b>	<b>1,919,287</b>	<b>1,316,885</b>	<b>39,583</b>	<b>3,275,755</b>	<b>2,530,363</b>

**Alberta Pulse Growers Commission****Statement of Cash Flows**

For the year ended July 31, 2012

	2012	2011 (Restated)
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts	3,504,343	3,079,084
Cash paid to suppliers	(2,482,041)	(2,185,927)
Cash paid to employees	(387,946)	(303,569)
Interest paid	(427)	(599)
Interest received	38,547	39,271
	<b>672,476</b>	<b>628,260</b>
<b>Investing activities</b>		
Purchases of guaranteed investment certificates	-	(262,220)
Proceeds on disposal of guaranteed investment certificates	331,984	-
Additions to capital assets	(27,753)	(32,945)
	<b>304,231</b>	<b>(295,165)</b>
<b>Increase in cash resources</b>	<b>976,707</b>	<b>333,095</b>
<b>Cash resources, beginning of year</b>	<b>508,105</b>	<b>175,010</b>
<b>Cash resources, end of year</b>	<b>1,484,812</b>	<b>508,105</b>

**Alberta Pulse Growers Commission**  
**Notes to the Financial Statements**  
*For the year ended July 31, 2012*

---

**1. Purpose of the Organization**

The Alberta Pulse Growers Commission ("the Commission") is an incorporated not-for-profit organization, exempt for income tax purposes, established through the Alberta Marketing of Agricultural Products Act. The purpose of the Commission is to promote marketing and research of pulse crops in Alberta. The organization is comprised of five zones and the head office.

**2. Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

**Capital assets**

Capital assets are recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. The Commission's capitalization policy is for items costing \$1,500 and above.

	<b>Rate</b>
Automotive and farm equipment	5 or 10 years
Computer equipment	2 or 5 years
Office equipment	5 years
Leasehold improvements	4 years
Trade show booth	5 years

**Long-lived assets**

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Commission performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in revenue and expenditures for the year.

**Revenue recognition**

The Commission uses the deferral method of accounting for contributions. Externally restricted contributions and grants are recognized as revenue in the year in which the related expenditures are incurred and appropriate reporting has been submitted. 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.

Service fee revenues are recognized monthly as the commissions are earned.

**2. Significant accounting policies** *(Continued from previous page)*

***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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Actual results may vary from current estimates. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue and expenditures in the periods in which they become known.

***Contributed services***

Volunteers contribute significant hours per year to assist the Commission in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

***Financial instruments***

**Held for trading:**

The Commission has classified cash and guaranteed investment certificates as held for trading.

These instruments are initially recognized at their fair value, determined by published price quotations in an active market. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized in income.

Held for trading financial instruments are subsequently measured at their fair value. Gains and losses arising from changes in fair value are recognized immediately in income.

**Available-for-sale:**

The Commission has not classified any financial assets as available for sale.

**Loans and receivables:**

The Commission has classified accounts receivable as loans and receivables. The assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date.

Receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less any reduction for impairment or uncollectability. Gains and losses arising from changes in fair value are recognized in income upon derecognition or impairment.

**Held to maturity:**

The Commission has not classified any financial assets as held to maturity.

**Other financial liabilities:**

The Commission has classified accounts payable and accruals and research payable as other financial liabilities. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date.

# Alberta Pulse Growers Commission

## Notes to the Financial Statements

*For the year ended July 31, 2012*

### 2. Significant accounting policies *(Continued from previous page)*

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimate future cash payments are discounted over the liability's expected life, or other appropriate period, to their net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, and plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. Gains and losses arising from changes in fair value are recognized in net income upon derecognition.

#### **Recent Accounting Pronouncements**

##### **Canadian accounting standards for not-for-profit organizations**

In October 2010, the Accounting Standards Board (AcSB) approved the accounting standards for private sector not-for-profit organizations (NFPOs) to be included in Part III of the CICA Handbook-Accounting ("Handbook"). Part III will comprise:

- The existing "4400 series" of standards dealing with the unique circumstances of NFPOs, currently in Part V of the Handbook; and
- The new accounting standards for private enterprises in Part II of the Handbook, to the extent that they would apply to NFPOs.

Effective for fiscal years beginning on or after January 1, 2012, private sector NFPOs will have the option to adopt either Part III of the Handbook or International Financial Reporting Standards (IFRS). Earlier adoption is permitted. The Commission expects to adopt Part III of the Handbook as its new financial reporting standards. The Commission does not expect the adoption of Part III of the Handbook to have a material impact on its financial statements.

### 3. Zone revenue transferred from operations

A portion of Zone revenue consists of amounts transferred from Operations. These amounts are reported as revenue in the zones with an offsetting deduction from revenue in Operations.

### 4. Capital assets

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2012 Net book value</b>	<b>2011 Net book value</b>
Automotive and farm equipment	55,255	31,179	24,076	41,897
Computer equipment	31,149	21,125	10,024	8,204
Office equipment	40,717	36,037	4,680	3,386
Leasehold improvements	2,571	1,768	803	1,446
Trade show booth	13,830	13,830	-	-
	<b>143,522</b>	<b>103,939</b>	<b>39,583</b>	<b>54,933</b>

**Alberta Pulse Growers Commission**  
**Notes to the Financial Statements**

*For the year ended July 31, 2012*

**5. Deferred Revenue**

	<i>Opening</i>	<i>Revenue received</i>	<i>Recognized as revenue</i>	<i>2012 Closing</i>
<b>Grant projects:</b>				
APG Administered Research Funding	9,116	81,219	(81,219)	9,116
CAAP - Improved field pea production	24,855	15,000	(31,315)	8,540
CAAP - Plant growth regulators (Chickpea)	3,974	56,566	(60,540)	-
CAAP - Incorporation of low tannin fababean fractions in food systems	-	28,876	(28,876)	-
CAAP - Flavour improvement of foods containing pea fractions	-	12,851	(12,851)	-
CAAP - Pea ingredient supply capacity	94,205	-	(54,835)	39,370
CAAP - Prevention of abiotic stress	5,540	242,813	(229,323)	19,030
CAAP - Evaluating the competitive ability of semi-leafless field pea cultivars	-	63,913	(63,913)	-
	<b>137,690</b>	<b>501,238</b>	<b>(562,872)</b>	<b>76,056</b>
<b>Other</b>				
Feed pea benchmark	5,600	8,400	(12,600)	1,400
<b>Total</b>	<b>143,290</b>	<b>509,638</b>	<b>(575,472)</b>	<b>77,456</b>

Deferred revenue includes grants and other amounts received for various programs and research projects, less the related expenditures. Under the terms of the grants, the organization is required to either spend the funds on approved activities or return them to the appropriate funding body.

**6. Reserves**

The Commission has appropriated \$1,066,385 (2011 - \$458,359) from accumulated surplus to sponsor future research projects and \$250,500 (2011 - \$306,238) from accumulated surplus for future support for Pulse Canada.

**Alberta Pulse Growers Commission**  
**Notes to the Financial Statements**  
*For the year ended July 31, 2012*

**7. Commitments**

The Commission has signed research grant agreements and marketing project agreements committing to the following payments over the next four years:

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Science Cluster	175,297	-	-	-
CAAP Projects	219,876	14,972	-	-
Research	207,135	131,235	31,110	31,110
Communication and Extension	5,400	-	-	-
Marketing	150,250	100,000	-	-
	<b>757,958</b>	<b>246,207</b>	<b>31,110</b>	<b>31,110</b>
<b>Pulse Canada</b>				
Core funding	210,000	-	-	-
Transportation Project	40,500	-	-	-
	<b>250,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1,008,458</b>	<b>246,207</b>	<b>31,110</b>	<b>31,110</b>

The Commission has entered into a lease agreement for the office space with minimum lease payments of \$1,573 per month (\$18,876 per year) up for renewal March 2013.

**8. Financial instruments**

The Commission, as part of its operations, carries a number of financial instruments. It is management's opinion that the Commission is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed. The carrying values of cash, guaranteed investment certificates, accounts receivable, accounts payable and accruals and research payable approximates their fair values, due to the short-term nature of these instruments.

***Credit concentration***

Financial instruments that potentially subject the Commission to concentrations of credit risk consist primarily of trade accounts receivable. Commission revenue is concentrated in the agricultural sector.

As at July 31, 2012, three customers accounted for 59% (four customers for 66% in 2011) of trade accounts receivable. The Commission believes that there is no unusual exposure associated with the collection of these receivables. The Commission performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

**9. Capital management**

The Commission sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets. The Commission's strategy is to maintain cash to cover future commitments.

**10. Non-monetary transactions**

In the current year, the Commission entered into an agreement to transfer the ownership of GPS equipment to the Minister of Agriculture and Rural Development as a contribution for a research project. This non-monetary transaction totaled \$27,897 and is measured at the exchange amount of the asset given up. The amount associated with this transaction has been recorded in excess of revenue over expenditures for the year.

**11. Correction of an error**

During the year the Commission determined that accounts receivable and service fees revenue were both understated due some dealers remitting July 2011 service fee reports late. These amounts should have been captured in service fee revenue and accounts receivable in the amount of \$56,907. For the year ending July 31, 2011, the impact of this correction has resulted in an increase both accounts receivable and service fee revenue. In addition, this change has increased current year opening members' equity by the same amount.

During the year the Commission also determined that prior year accounts receivable related to APG Administered Research Funding and the related deferred revenue were overstated by \$34,020. Accordingly in 2011 accounts receivable and deferred revenue have been reduced by \$34,020. There was no effect on operations or net assets.

**12. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.



**Alberta Pulse Growers Commission**  
**Schedule 1 - Communication and Extension Revenue and Expenditures**

*For the year ended July 31, 2012*

	2012	2011
<b>Revenue</b>		
Pulse Crop News	26,541	47,209
Sponsorship	750	-
	<b>27,291</b>	47,209
<b>Expenditures</b>		
Pulse Crop News - postage and printing	60,564	71,147
Projects	43,691	36,703
Travel and administration	38,608	9,417
Sponsorships	10,428	11,149
Marketing channels	8,039	715
Trade fair and educational initiative	4,883	7,484
	<b>166,213</b>	136,615
<b>Net expenditures</b>	<b>(138,922)</b>	(89,406)

**Alberta Pulse Growers Commission**  
**Schedule 2 - Market Development Revenue and Expenditures**

*For the year ended July 31, 2012*

	2012	2011
<b>Revenue</b>		
Provincial Government revenue	12,000	12,700
Feed Pea Benchmark	12,600	8,400
Other income	786	930
	<b>25,386</b>	22,030
<b>Expenditures</b>		
Pulse Canada - Core funding	190,438	117,375
Pulse Canada - Projects	207,672	88,138
Pulse Canada - Travel	13,266	3,614
<b>Total Pulse Canada</b>	<b>411,376</b>	209,127
Marketing project funding	213,799	30,905
Human Food and Nutrition consultant	79,412	74,066
Administration and travel	21,891	35,791
CSCA membership and convention	19,319	17,913
Mission ImPULSEible	14,467	15,119
International travel	14,031	9,490
CAAP project expenditures	11,180	16,567
Promotion projects	1,845	17,928
	<b>787,320</b>	426,906
<b>Net expenditures</b>	<b>(761,934)</b>	(404,876)

**Alberta Pulse Growers Commission**  
**Schedule 3 - Research Revenue and Expenditures**

*For the year ended July 31, 2012*

	<b>2012</b>	<b>2011</b>
<b>Revenue</b>		
Zone research contributions	29,260	22,000
CPRW Sponsorship	-	70,535
Industry partner funding	-	17,252
	<b>29,260</b>	<b>109,787</b>
<b>Expenditures</b>		
Bean research	159,975	68,861
Chickpea and lentil research	147,903	72,981
Pea research	50,600	307,462
CAAP project expenditures	28,476	10,380
New crop and fababean research	-	8,000
General research project funding (decommitted funding)	(6,250)	57,092
	<b>380,704</b>	<b>524,776</b>
<b>Total research project funding</b>	<b>380,704</b>	<b>524,776</b>
Administration and travel	15,417	24,789
Prairie Pest Minor Use Consortium membership	5,250	5,303
CPRW expenditures	4,000	72,641
	<b>405,371</b>	<b>627,509</b>
<b>Net expenditures</b>	<b>(376,111)</b>	<b>(517,722)</b>

**Schedule 4 - Risk Management Expenditures**

*For the year ended July 31, 2012*

<b>Expenditures</b>		
Memberships	25,000	25,000
Administration and travel	6,565	10,848
	<b>(31,565)</b>	<b>(35,848)</b>
<b>Net expenditures</b>	<b>(31,565)</b>	<b>(35,848)</b>

**Schedule 5 - Sustainability and Trace Expenditures**

*For the year ended July 31, 2012*

<b>Expenditures</b>		
Administration and travel	3,560	5,691
Project	-	13,333
	<b>(3,560)</b>	<b>(19,024)</b>
<b>Net expenditures</b>	<b>(3,560)</b>	<b>(19,024)</b>

**Alberta Pulse Growers Commission**  
**Schedule 6 - Grant Projects Revenue and Expenditures**

*For the year ended July 31, 2012*

	2012	2011
<b>Revenue</b>		
Canadian Agricultural Adaption Program (CAAP)	420,017	413,168
APG administered research funding	72,103	63,736
Deferred revenue - prior year excess APG administer research funding	9,116	47,230
Deferred revenue - prior year excess CAAP	128,574	12,650
	<b>629,810</b>	536,784
<b>APG CAAP Contributions</b>	<b>39,656</b>	26,947
	<b>669,466</b>	563,731
<b>Transfer to deferred revenue</b>		
Excess CAAP	66,940	128,572
Excess APG administered research funding	9,116	9,116
	<b>76,056</b>	137,688
<b>Total grant project revenue</b>	<b>593,410</b>	426,043
<b>Expenditures</b>		
CAAP - Prevention of abiotic stress	242,810	100,017
APG administered research funding	100,000	73,953
CAAP - Evaluating the competitive ability of semi-leafless field pea cultivars	71,641	-
CAAP - Plant growth regulators (Chickpea)	64,114	48,744
CAAP - Pea ingredient supply capacity	61,599	31,710
CAAP - Improved field pea production	35,000	20,000
CAAP - Incorporation of low tannin fababean fractions in food systems	28,876	50,473
CAAP - Flavour improvement of foods containing pea fractions	24,442	73,250
	<b>628,482</b>	398,147
<b>Net revenue (expenditures)</b>	<b>(35,072)</b>	27,896

**Alberta Pulse Growers Commission**  
**Schedule 7 - Zone Revenue and Expenditures**

*For the year ended July 31, 2012*

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	2012	2011
<b>Revenue</b>							
Projects	7,055	-	33,892	-	-	40,947	36,170
Allocation from operations (Note 3)	5,000	-	7,000	5,500	5,000	22,500	21,900
Equipment rental	7,875	-	-	-	-	7,875	17,726
Annual general meeting	1,450	-	-	-	-	1,450	3,175
Interest	-	457	-	63	1,240	1,760	1,087
Gain on disposal of assets	1,200	-	9,350	-	-	10,550	-
<b>Total Revenue</b>	<b>22,580</b>	<b>457</b>	<b>50,242</b>	<b>5,563</b>	<b>6,240</b>	<b>85,082</b>	<b>80,058</b>
<b>Expenditures</b>							
Projects	-	1,500	42,345	-	1,500	45,345	56,199
Amortization	7,425	-	-	-	-	7,425	7,408
Zone annual meeting	4,950	121	-	-	420	5,491	4,877
Insurance	3,006	-	313	-	-	3,319	3,572
Travel and meetings	773	-	527	-	300	1,600	2,082
Promotional materials	1,983	-	150	-	-	2,133	1,260
Tours and seminars	-	-	892	-	-	892	730
Trade fair	-	-	-	-	-	-	617
Bank charges and interest	18	125	8	124	152	427	391
Office and postage	-	-	627	-	-	627	323
<b>Total Expenditures</b>	<b>18,155</b>	<b>1,746</b>	<b>44,862</b>	<b>124</b>	<b>2,372</b>	<b>67,259</b>	<b>77,459</b>
<b>Net Revenue (Expenditures)</b>	<b>4,425</b>	<b>(1,289)</b>	<b>5,380</b>	<b>5,439</b>	<b>3,868</b>	<b>17,823</b>	<b>2,599</b>

**Alberta Pulse Growers Commission**  
**Schedule 8 - Administration Revenue and Expenditures**

*For the year ended July 31, 2012*

	<b>2012</b>	<i>2011 (Restated)</i>
<hr/>		
<b>Revenue</b>		
Service fees	<b>2,790,013</b>	2,486,640
Less: Service fees refunded	<b>(80,291)</b>	(70,078)
Interest	<b>38,547</b>	40,482
FarmTech membership rebate	<b>278</b>	250
Other revenue	<b>-</b>	12,775
	<hr/>	
	<b>2,748,547</b>	2,470,069
<hr/>		
<b>Expenditures</b>		
Salaries, wages and benefits	<b>387,946</b>	301,355
Travel and meetings	<b>101,961</b>	89,555
Professional fees	<b>43,654</b>	51,596
Annual general meeting and FarmTech	<b>41,185</b>	32,742
Office and postage	<b>25,488</b>	14,063
Office lease and services	<b>21,469</b>	19,510
Amortization	<b>7,781</b>	5,320
Telephone, fax and internet	<b>7,625</b>	6,651
Insurance	<b>6,393</b>	6,228
Professional development	<b>3,931</b>	22,641
Zone administration and travel	<b>2,806</b>	12,543
Advertising	<b>647</b>	-
Bank charges and interest	<b>428</b>	599
	<hr/>	
	<b>651,314</b>	562,803
<hr/>		
<b>Net revenue</b>	<b>2,097,233</b>	1,907,266
<hr/>		

# COMMISSIONERS

---

**Gerry Good**  
President

**Richard Krikke**  
Vice President

**Ken Rewerts**  
Executive Member

---

Zone 1  
**Casey Koomen**  
Taber

Zone 3  
**Richard Krikke**  
Neerlandia

Zone 1  
**Robert Weisgerber**  
Schuler

Zone 4  
**Neil Boyd**  
Fairview

Zone 1  
**Jack Van Tryp**  
**Commissioner-at-Large**  
Burdett

Zone 4  
**Nick Sekulic**  
Rycroft

Zone 2  
**Barry Grabo**  
Strathmore

Zone 4  
**Ken Rewerts**  
**Commissioner-at-Large**  
Fairview

Zone 2  
**Gerry Good**  
Carstairs

Zone 5  
**Gordon Tuck**  
Vegreville

Zone 3  
**Ryan Kubenic**  
Westlock

Zone 5  
**Harold Haugen**  
Lougheed

# STAFF

---

**Leanne Fischbuch**  
Executive Director

**Wendy Benson, RD, MPH**  
Food & Nutrition Consultant (Contractor)

**Rhonda Lafreniere**  
Administrative Assistant

**Jennifer Blair**  
Communications Coordinator

**Duane Ransome**  
Member Relations Coordinator

**Debra Brown**  
Office Assistant

**Jenn Walker**  
Research Officer





Alberta Pulse Growers  
5007-49 avenue  
Leduc, Alberta T9E 6M6  
P: 780-986-9398 | F: 780-980-2570  
[www.pulse.ab.ca](http://www.pulse.ab.ca) | [office@pulse.ab.ca](mailto:office@pulse.ab.ca)