



Saskatchewan Beekeepers' Development Commission

4018 Goldfinch Way, Regina, SK S4V 1M8 306.535.9520

info@saskbeekeepers.com

www.saskbeekeepers.com

2011

Annual Report and AGM Items



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Board of Directors List for the fiscal year ending December 31, 2012

Chair	Joe Edwards Box 104, Ridgedale, SK S0E 1L0 306-873-4441	Serving 3rd year of 3 year term
Vice-Chair	Corey Bacon Box 84 Kinistino, SK S0J 1H0 306-864-3774	Serving 2nd year of 3 year term
Director	Calvin Parsons Box 44, Mesanaw, SK S0K 2W0 306-864-2632	Serving 3rd year of 3 year term
Director	Danny Valleau Box 7, Aylsham, SK S0E 0C0 306-862-4094	Serving 1st year of 3 year term
Director	Danny Wasylenchuk R.R. 2 Canora, SK S0A 0L0 306-792-4764	Serving 2nd year of 3 year term
Director	Mark Knox Box 2653 Nipawin, SK, S0E 1E0 306-862-5657 Fax: 306-862-9495	Serving 1st year of 3 year term



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Disclosure of Payments of over \$1000.00 for year ending December 31, 2011

Regina & District Bee Club	\$5000.00	Promotion
Dodge truck Riveride Sales Melfort	\$30,817.70	Research
Dodge Truck License	\$1,357.00	Research
Calendars – Linda's Printing	\$9,216.90	Promotion
Pamphlets Design	\$4,500.00	Promotion

Welcome to our 2012 Annual General Meeting of the Saskatchewan Beekeepers Development Commission. First, let me thank you for attending today, and furthermore for supporting our Commission throughout the past year. The Board is grateful for your support and for letting your levy remain with the Commission.

This is my first year as President of SBDC after serving the two previous years as a Director on the Board. I am off the board this year, and we welcome two new Directors to replace Dan Valleau and me. Thank you Dan for your work with the Commission and your role in reporting Commission Activities in the *SBA Newsletter*.

I will miss my time on the Board and will attempt to stay connected with SBDC and SBA through other avenues. It has been a valuable education for me and I hope more of you will see fit to take your turn on this crucial Board as we attempt to overcome problems facing our profession.

One notable face is missing at this year's AGM. Our friend, colleague and secretary/treasurer Thomas Edward Winklin "Wink" Howland passed away peacefully at 3:30 PM Tuesday, October 25, 2011 with family by his side following a courageous year-long battle with pancreatic cancer. In many respects Wink was the SBA and SBDC, working diligently to keep both organizations together in so many ways that it would be impossible to count them. Not only was Wink a respected member of our organizations, his influence was felt locally and nationally. Probably his greatest following was to be found at the Regina Farmers Market where "Howland Honey" was a staple for over thirty-three years.

As an aside, Wink was in contact with me doing SBDC business three days before he entered the hospital in Regina. It is dedication of this nature that made Wink a "leader" throughout his life and times.

Wink is irreplaceable, but I am delighted to welcome Conrad Schultz as our new Secretary/Treasurer and commend his superb efforts, on our behalf, to follow in Wink's footsteps. It is really great to have you on board Conrad! Many thanks for putting all the components of this meeting together in such a short period.

The SBDC Board has met on three occasions this year and participated in two CAAP Steering Committee meetings. Face-to-face meeting have been kept to a minimum as most of our business is conducted via the internet. My inbox tally is around 1000 emails dealing with SBDC, TAT and SBA issues and projects.

The Board has been involved in a number of projects throughout the year and supported a number of initiatives. As reported at last year's AGM we were faced with the difficulty of putting a lead in place for the CAAP project. We are pleased to announce that Graham Parsons has been recruited as lead and has spent a productive few months working with the TAT team on a variety of projects related to keeping our hives healthy and alive. The SBDC Board has been working closely with Geoff Wilson and Graham to provide support to the TAT team in the area of computers and has acquired a vehicle to be leased at a significantly lower rate than available from industry sources. The TAT Team is looking forward to obtaining a small number of hives for testing purposes during the upcoming year. This will remove some of the issues involved in borrowing hives for testing.

The Board has supported Dr. Rob Currie in a project involving the breeding and selection of stock to enhance grooming behavior and reduce mite loads. Other projects supported included: CAAP Project (\$10,000), Brochure project, SEN project, Regina Bee Club, Manitoba Queen Breeders, and Pollination calendar project.

Promoting the value of the honeybee to agriculture and society has been one SBDC Board thrust throughout the year. At the AGM last year we received 100 copies of Ron Fossenden's book, *The Honey Revolution*, to present to hospital, dental and clinic waiting rooms. We have been involved in the development of eight informational brochures for distribution. Titles are: *The Honey Bee: Everything You Always Wanted to Know but Were Afraid to Ask*, *Backyard Beekeeper*, *Bee Stings*, *Canadian Honey*, *Diabetes and You*, *Ecology and the Honey Bee*, *Honey Sport and You*, *Honey and Health*. These are in the process of final editing and printer selection.

Pollination: Seasons of Beekeeping calendar was developed to inform our farmers and friends about bees, beekeeping, and pollination. The objective of this calendar was to shine a light on the importance of the honeybee as a pollinator, increase awareness of beekeeping in general, and in particular, the sudden global decline of the honeybee population. The SBDC Board approved the printing and distribution of the calendar to members of the Saskatchewan Beekeepers' Development Commission on the basis of one calendar for each 100 hives. Extra copies are available to SBDC members at cost (\$2) until the printing lot is exhausted.

Vanishing bee population is a global concern that threatens the delicate balance of our food supply. Awareness of the plight of the honeybee is increasing at all levels, and solutions to the problems facing the industry will require the joint effort of the beekeeper, farmer, scientist and government. The honeybee decline is directly affecting honey production and pollination and thereby affecting our livelihood and the food supply.

The SBDC Board is attacking the problem on several fronts. Practical and applied research into problems affecting our Saskatchewan situation is in the forefront.

The worldwide decline of honeybee populations cannot be attributed to a single "smoking gun". The general consensus from available research is that multiple factors are associated with the decline. Factors such as varroa mites, wintering, nosema, viruses, nutrition, pesticides, and weather are in the forefront of issues causing the death of our honeybees. The current project "Saskatchewan Beekeepers Adapting Technology to Meet their Needs: Hive Health, Colony Mortality and Productivity" is making significant progress in coping with the problems that face the industry. Past and present CAAP funding has played a major role in progress made to this point.

A highlight this year was the Multi-year Funding Received for SBA Technology Adaptation. Calvin Parsons and I attended the news release in Saskatoon for the announcement that \$370,000 was approved for the three-year project through the Agriculture Council of Saskatchewan's (ACS) Canadian Agriculture Adaptation Program (CAAP). This project is a proactive approach to addressing resistant Varroa mites, high winter mortality, and the questionable efficacy of alternative disease control treatments and techniques in Saskatchewan's climate.

The project is a combination of applied research and extension. The applied research will assist in determining the best application methods, timing and combinations of treatment methods to manage Varroa mites in Saskatchewan's short treatment windows. In addition another component will work on assessing better wintering techniques. Recommendations will be developed from the results and delivered to beekeepers through the large extension component of the project.

We were able to piggyback on this release to raise the visibility of problems facing bees and beekeeping in Saskatchewan and beyond, while at the same time, clearly indicating how SBA and SBDC are involved in solutions strategies aimed at solving the dilemma of our disappearing bees.

An incomplete list of interviews and programs in which I was involved include:
Live interviews with CBC, Star Phoenix, CJME News Talk 980 with Richard Brown, CBC French Network, Farm Gate with Bob Simpson and SCN 5 Days with Bruce Steel.

I participated in a one and a half hour production shoot with a CBC camera team at my honey house and apiaries, dealing with beekeeping in Saskatchewan and keeping bees alive.

I taped two 20-minute video programs with Bruce Steele at SCN 5Days Newsmagazine looking at beekeeping and the efforts SBA and SBDC are extending to contend with the current losses.

Several news agencies picked up the interviews--from the Vancouver Sun to Yahoo News and the Bad Beekeepers Blog.

Coverage of this event was directly responsible for an invitation, on behalf of SBDC, to present a one and half hour lecture on beekeeping to the 2011 Saskatchewan Eco Network Environmental Film Festival. SBDC has supported the initiatives of SEN and was featured prominently in the sponsorship list.

I conclude my remarks with the thought that SBDC experienced good year, 2011-2012, and your Board has worked diligently to further understanding and research of issues facing Saskatchewan beekeepers.

I further want to make it clear that we have resources to support more research, both large and small projects. We seem to have a dearth of proposals from a local standpoint and welcome Saskatchewan based inquires, projects and research proposals.

I have enjoyed my work with SBDC and will endeavour to stay connected with SBDC and SBA and the many Saskatchewan beekeeper friends I've met throughout my three years as a Board member.

Respectfully submitted,

Dr. F. Barry Brown, President
Saskatchewan Beekeepers Development Commission
March 1, 2012

**FINANCIAL
STATEMENTS**

**Saskatchewan Beekeeper's
Development Commission**

Year Ended December 31, 2011

Saskatchewan Beekeeper's Development Commission

Regina, Saskatchewan

December 31, 2011

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PARKERQUINE LLP
Chartered Accountants Business Advisors

Independent Auditors' Report

To the Board of Directors
Saskatchewan Beekeeper's Development Commission

Report on the Financial Statements

We have audited the accompanying financial statements of Saskatchewan Beekeeper's Development Commission, which comprise the Statement of Financial Position as at December 31, 2011, and the Statements of Operations, Changes in Net Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Beekeeper's Development Commission as at December 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PARKERQUINE LLP

Per: *Mandy P... CA*

Yorkton, SK
March 2, 2012

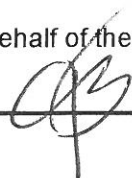
Saskatchewan Beekeeper's Development Commission

Regina, Saskatchewan

Statement of Financial Position as at December 31, 2011

	2011	2010
Assets		
Current Assets		
Cash and cash equivalents	1,090	919
Short-term investments - note 5	93,185	101,586
Direct financing lease receivable - note 6	708	1,009
	<u>94,983</u>	<u>103,514</u>
Capital Assets		
Pierre the Bear	4,150	4,150
Less: Accumulated amortization	(1,453)	(1,038)
Vehicle held for leasing	30,818	
Less: Accumulated amortization	(685)	
	<u>32,830</u>	<u>3,112</u>
	<u>\$ 127,813</u>	<u>\$ 106,626</u>
Liabilities and Net Assets		
Current Liabilities		
Accrued liabilities	2,090	1,900
Deferred revenue - note 7	1,100	
	<u>3,190</u>	<u>1,900</u>
Net Assets		
Invested in capital assets	32,830	3,112
Internally-restricted net assets - note 8	28,004	22,296
Unrestricted net assets	63,789	79,318
	<u>124,623</u>	<u>104,726</u>
	<u>\$ 127,813</u>	<u>\$ 106,626</u>

Approved on behalf of the board:



Saskatchewan Beekeeper's Development Commission

Statement of Changes in Net Assets
For the year ended December 31, 2011

	Invested in Capital Assets	Internally- Restricted Net Assets	Unrestricted Net Assets	2011 Total	2010 Total
Balance, beginning of year	3,112	22,296	79,318	104,726	71,838
Excess (deficiency) of revenue over expenses for the year	(1,100)		20,997	19,897	32,888
Transfer from unrestricted to restricted	<u>30,818</u>	<u>5,708</u>	<u>(36,526)</u>		
Balance, end of year	<u>\$ 32,830</u>	<u>\$ 28,004</u>	<u>\$ 63,789</u>	<u>\$ 124,623</u>	<u>\$ 104,726</u>

*The notes to financial statements are an integral
part of these financial statements.*

Saskatchewan Beekeeper's Development Commission

Statement of Operations
For the year ended December 31, 2011

	Budget	2011	2010
Revenue			
Producer check-off fees	60,000	65,501	70,069
Less: Producer check-off refunds		8,425	8,575
	<u>60,000</u>	<u>57,076</u>	<u>61,494</u>
Registration fees	2,500	2,350	2,600
Investment income received	3,500	2,250	2,810
Investment income - realized gains (losses)		220	105
Investment income - unrealized gains (losses)		130	3,156
Lease interest		299	17
Truck lease income		2,200	
Calendar sales		280	
	<u>66,000</u>	<u>64,805</u>	<u>70,182</u>
Expenses			
Administrator's fees	3,900	3,900	3,900
Amortization	400	1,100	415
Board of directors	1,500	1,372	1,417
Business and annual meetings	2,000	262	1,981
Election and nomination expenses	375		75
General and administration	350	407	172
Honey promotion brochures and pamphlets	12,000	5,500	3,007
Member communications	2,800	1,807	2,600
Other promotional products	30,000	9,427	1,929
Professional fees	2,200	2,170	2,010
Vehicle		1,669	
Website	1,000	1,605	788
Projects, contributions and donations:			
Currie ACAAF research project			4,000
Saskatchewan Beekeepers' Association CAAP project	10,000	5,000	10,000
Manitoba/Saskatchewan Queen Breeders project	5,000	5,000	5,000
Regina and District Bee Club	5,000	5,189	
Other	500	500	
	<u>77,025</u>	<u>44,908</u>	<u>37,294</u>
Excess (Deficiency) of Revenue Over Expenses for the Year	<u>\$(11,025)</u>	<u>\$ 19,897</u>	<u>\$ 32,888</u>

The notes to financial statements are an integral part of these financial statements.

Saskatchewan Beekeeper's Development Commission

Statement of Cash Flows

For the year ended December 31, 2011

	2011	2010
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year	19,897	32,888
Add items not requiring cash resources		
Amortization	1,100	415
Loss (gain) on disposal of short-term investments	(220)	(105)
Fair value adjustment on held-for-trading investments	(130)	(3,156)
Net change in working capital	<u>1,592</u>	<u>(869)</u>
	<u>22,239</u>	<u>29,173</u>
Investing activities		
Capital asset purchases	(30,818)	
Additions to short-term investments	(2,250)	(42,810)
Proceeds on disposal of short-term investments	<u>11,000</u>	<u>6,500</u>
	<u>(22,068)</u>	<u>(36,310)</u>
Net Cash Increase (Decrease) for the Year	171	(7,137)
Cash position, beginning of year	<u>919</u>	<u>8,056</u>
Cash Position, End of Year	<u>\$ 1,090</u>	<u>\$ 919</u>
Represented By:		
Cash and cash equivalents	<u>\$ 1,090</u>	<u>\$ 919</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	301	(1,009)
Increase (decrease) - other current liabilities	<u>1,291</u>	<u>140</u>
	<u>\$ 1,592</u>	<u>\$(869)</u>

The notes to financial statements are an integral part of these financial statements.

Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements
For the year ended December 31, 2011

1. Nature of Operations

The organization was established March 24, 2006 pursuant to The Beekeepers Development Plan Regulations (the Regulations), under the authority of The Agri-Food Act, 2004 and is exempt from income tax. The purpose of the organization is to develop the bee and bee products industry in Saskatchewan by engaging in research and development projects intending to develop and improve market opportunities, production methods and product quality.

2. Significant Accounting Policies

These financial statements are the responsibility of the organization's management and have been prepared in accordance with Canadian generally accepted accounting principles using the accounting policies as summarized below:

(a) Short-term investments

Short-term investments represent investments in mutual fund units. Short-term investments are classified as held-for-trading and reported at fair value. Income and gains and losses, both realized and unrealized, are reported as investment income.

(b) Capital assets

Capital assets are recorded at acquisition cost less accumulated amortization. The assets are amortized on a straight-line basis over their estimated service lives at the following rates:

Pierre the Bear	10 years
Vehicle held for leasing	15 years

In the year of purchase, capital assets are amortized based on months available for use.

(c) Revenue

Under the Regulations, each commercial beekeeper is required to pay the organization a \$25 registration fee, plus a check-off fee of \$1.00 per colony in production. Producers may request a refund for check-off fees paid in the year by submitting a written request between June 7 and June 30 of the calendar year to which the check-off fees apply.

Producer check-off fees and registration fees are recognized when they become receivable from the producers and collection is reasonably assured. Refunds are recognized as requested by producers.

(d) Government assistance

Government assistance in the form of operating grants is recognized as income in the year the grants are received.

(e) Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires the organization to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements
For the year ended December 31, 2011

3. Financial Instruments

Cash, investments, accounts payable and accrued liabilities are designated as held-for-trading financial instruments and are measured at fair value. The fair value of these financial instruments approximates their carrying amount because of the short-term nature of these instruments.

Investments are designated as held-for-trading financial instruments and are measured at fair value. The fair value of investments is determined by referring to published market prices in active markets.

The direct financing lease receivable is designated as loans and receivables and measured at amortized cost.

Nature and Extent of Risks Arising from Financial Instruments

The company is exposed to a variety of financial risks that arise from owning financial instruments. These risks include interest rate risk, market risk and other price risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

4. Capital Disclosure

The organization manages its capital with the goals of maintaining a responsible financial position allowing it to meet its goals and obligations. Capital consists of cash, short-term investments and net assets.

5. Short-Term Investments

Category	Valuation Basis	Cost 2011	Fair Value 2011	Cost 2010	Fair Value 2010
Held-for-Trading					
RBC Investments	Fair value	<u>\$ 91,843</u>	<u>\$ 93,185</u>	<u>\$ 100,373</u>	<u>\$ 101,586</u>

6. Direct Financing Lease Receivable

In the prior year, the organization entered into a lease agreement with the Saskatchewan Beekeepers' Association CAAP Project Number S2-C to lease a computer. The lease qualifies as a direct financing lease, and is calculated using a discounted cash flow method whereby the total initial principal receivable has been equated to the cost of the leased computer. Excess payments receivable are amortized to income over the life of the lease as lease interest income using the effective interest rate inherent in the lease payments. The term of the lease will run from August 1, 2010 to September 13, 2013 with monthly lease payments of \$50.00.

Saskatchewan Beekeeper's Development Commission

Notes to Financial Statements
For the year ended December 31, 2011

7. Deferred Revenue

During the year, the organization entered into a lease agreement with the Saskatchewan Beekeeper's Association CAAP project to lease a vehicle. The lease qualifies as an operating lease. The term of the lease will run from September 1, 2011 to August 31, 2014 with monthly lease payments of \$550.00 paid semi-annually. Deferred revenue consists of two months' prepaid lease payments.

8. Internally-Restricted Net Assets

The organization has internally-restricted net assets in order to improve its ability to participate in projects requiring significant funding in future years as the opportunity arises. Management requires the Board of Directors' approval to use the funds from these restricted assets.

9. Related-Party Transactions

Included in these financial statements are transactions with related parties. These related parties include the Saskatchewan Beekeepers Association (SBA), who is related by virtue of common directors. Transactions with these related parties are in the normal course of operations. They are recorded at the standard rates charged by those organizations and are settled on the normal trade terms.

Certain transactions with the Saskatchewan Beekeepers Association are by virtue of a cost sharing arrangement between the two organizations for costs relating to joint board meetings, office expenses and member communications. These transactions are recorded at the rates charged by the SBA, which are equal to the Saskatchewan Beekeepers Development Commission's portion of the rates charged to the SBA by the third party suppliers.

The organization also provides donations to the Saskatchewan Beekeepers Association, which are itemized in the Statement of Operations.

Financial Statement Accounts	Terms or Conditions	2011	2010
Expenses			
Board of Directors	SBDC's portion of expenses	\$ 150	\$ 214
Honey promotion	SBDC's portion of expenses		2,700
General and administration	SBDC's portion of expenses		223
Business and annual meetings	SBDC's portion of expenses		380

10. Commitments

The organization has committed to a \$10,000 contribution to the Saskatchewan Beekeeper's Association's CAAP project for the next fiscal year. The organization has also committed a \$5,000 contribution to the Manitoba/Saskatchewan Queen Breeders project for the next year.

PARKERQUINE LLP

Chartered Accountants Business Advisors

Independent Auditors' Report on Internal Control

To the Board of Directors
Saskatchewan Beekeeper's Development Commission

We have audited the Saskatchewan Beekeeper's Development Commission's control as of December 31, 2011 to express an opinion as to the effectiveness of its control related to the following objectives:

- To safeguard Commission resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- To prepare reliable financial reports.
- To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding Commission resources, revenue raising, spending, borrowing, and investing.

We used the control framework developed by the Canadian Institute of Chartered Accountants (CICA) to make our judgments about the effectiveness of Saskatchewan Beekeeper's Development Commission's control. We did not audit certain aspects of control concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

The CICA defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

Saskatchewan Beekeeper's Development Commission's management is responsible for effective control related to the objectives described above. Our responsibility is to express an opinion on the effectiveness of control based on our audit.

We conducted our audit in accordance with standards for assurance engagements established by the CICA. Those standards require that we plan and perform an audit to obtain reasonable assurance as to the effectiveness of Saskatchewan Beekeeper's Development Commission's control related to the objectives above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

In our opinion, Saskatchewan Beekeeper's Development Commission's control was effective, in all significant respects, related to the objectives stated above as of December 31, 2011, based on the CICA criteria of control framework.

Control can provide only reasonable, not absolute, assurance of achieving objectives reliably for two reasons. First, there are inherent limitations in control including judgment in decision-making, human error, collusion to circumvent control activities and management overriding control. Second, cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or the degree of compliance with control activities may deteriorate.

PARKERQUINE LLP

Per: *Mandy P... CA*

Yorkton, SK
March 2, 2012

Report on Legislative Compliance

To the Board of Directors
Saskatchewan Beekeeper's Development Commission

We have made an examination to determine whether the Saskatchewan Beekeeper's Development Commission complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding public resources, spending, revenue raising, borrowing and investing activities during the year of January 1, 2011 to December 31, 2011:

The Agri-Food Act, 2004
The Beekeepers Development Plan Regulations
Commission Orders #01/06 to #07/09
Agri-Food Council Order #02/11

Our examination was made in accordance with Canadian generally accepted auditing standards, and accordingly, included such tests and other procedures as we considered necessary in the circumstances.

Per the Agri-Food Act, 2004, Order No.02/11, the commission is required to appoint a board member to act as audit chair. We observed that this requirement was not met.

In our opinion, with the exception of the above-noted instance, the Saskatchewan Beekeeper's Development Commission has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year of January 1, 2011 to December 31, 2011.

PARKERQUINE LLP

Per: *Mandy P... CA*

Yorkton, SK
March 2, 2012