

ANNUAL REPORT FOR 2003

The
CENTRE FOR
RURAL
LEADERSHIP



“A World of Dynamic Leaders”

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Corporate Profile

The Centre for Rural Leadership
~A World of Dynamic Leaders

Charitable Registration No. 86275 2052 RR0001

The Centre for Rural Leadership (The Centre), incorporated in 2003, is a new organization designed to offer agricultural and rural leadership programming. The concept of The Centre arose from the Agricultural Leadership Trust's desire to build a long-term, stable foundation for the Advanced Agricultural Leadership Program (AALP), one of the longest-running, most successful agricultural leadership development programs in the world.

Building upon the AALP model, The Centre is set to become a place of excellence providing leadership resources, training opportunities and on-going support to anyone in rural Ontario. Our vision is simple – “a world of dynamic leaders” and our mission strategic – “to develop and support exceptional agriculture industry and rural leaders by creating life-long learning opportunities and delivering premier educational programs.”

Our desire is to provide educational programs that offer something for everyone, be they youth, adults, businesses or organizations. To do this, we are identifying needs and developing additional products and services in partnership with others in the leadership sector.

President's Message

Only a year after its incorporation, The Centre for Rural Leadership (TCRL) is already a hub of leadership activity. It is not only exciting, it is rewarding to see that the board's decision to form The Centre was the right step.

The benefits of leadership training are endless. Participants gain the skills to work with others to direct, manage and even demand change. They also have the courage and the confidence to build a stronger agriculture and rural community. The agricultural and food industries are under immense pressure to produce safe, abundant and now easily-traced products, and to do so with lower margins and higher debt loads. Rural communities are also faced with daunting challenges, including shrinking resource bases and encroaching cities. Strong, capable, visionary leaders are required, and The Centre for Rural Leadership can play a role in the development of such leaders.

The Centre is not the only one who sees this need for leadership. Numerous other organizations have already approached us for assistance. They are looking to TCRL to provide leadership training for their members, which is exactly what we want to do. We're also active participants in the Rural Leadership Task Force, a group consisting of 4-H Ontario, The Ontario Rural Council, the OATI Learning Group, and the Junior Farmers' Association of Ontario. It will be through alliances such as these that The Centre will become a world-renowned resource for leadership information and opportunities.

Support from our partners, sponsors, grads and participants is always encouraging. Our leaders understand the need for and importance of leadership. They believe in giving back, both through their financial and their voluntary commitments. As we grow and begin to deliver leadership products to other industries, The Centre is going to rely on them, and others, even more.

Our flagship program, the Advanced Agricultural Leadership Program is stronger than ever. The 10th class has been selected and again contains a great mix of enthusiastic people of all ages, from different backgrounds and with diverse interests.

On a personal note, I have enjoyed my time on the board, both of the past Agricultural Leadership Trust, and The Centre for Rural Leadership. It has been a privilege to act as president during The Centre's inaugural year and I am proud of our success and excited about our future. I want to thank the board members for their ongoing commitment to leadership development and to this new organization. In particular I would like to thank outgoing Board members Vincent Amanor-Boadu, Jim Fischer and Bernie Calhoun, all of whom complete their term of office on the occasion of the Annual General Meeting.

On behalf of the board I also want to extend our appreciation to our former staff Ann Gordon and Megan Lennox for their efforts this past year, and welcome Dan Legault and Kathy Kaye to The Centre. There is a bright future ahead!

Christine Dukelow
President

Report from the Executive Director

Ann Gordon, Executive Director of The Centre for Rural Leadership and The Agricultural Leadership Trust since 1996, decided to resign her position at the end of this past year to pursue a graduate degree in Rural Extension Studies at the University of Guelph. I took over from Ann in late June of this year. What I've discovered in the short time that I've been here is that Ann played an essential role in putting the Centre where it is today.

Thanks to Ann and her very capable management, I inherit responsibility for an orderly, fiscally sound, highly reputed and much respected organization and program. Ann of course had some invaluable help from her predecessors, Jack Hagarty and Patricia Mighton, and of course from the dedicated and tireless support of the volunteer Board members. Over the past six years Ann has stewarded the organization through significant growth, development and change, a job she did with focus, determination and most importantly passion. Thank you Ann.

This past year also saw the conclusion and graduation of Class 9 of the Advanced Agricultural Leadership Program. The 30 new grads bring our alumni numbers up to 264 overall. Congratulations Class 9 and keep in touch! Just prior to year end the final selection for Class 10 of AALP was completed. Another 30 successful applicants will start Class 10 in early October.

Over the past year the Rural Leadership Taskforce was successful in obtaining a financial grant from the CanAdapt Program. The funding was used to commission a study to: clarify the feasibility of a long term collaborative among the five organizations; develop an understanding of the marketing and programming gaps related to rural leadership; create efficiencies that would encourage the organizations to do more with current resources and provide an economy of scale to attract larger sponsorships, investment and projects; develop a model of collaboration; and develop an implementation process as an agenda for change. The study was conducted in the spring and early summer of 2003 with a full report delivered in August.

The Business Development Committee of TCRL has begun exploring the feasibility of a leadership-training program for the conservation and environmental sector this past year. Discussions continue with partners from that sector with a view to bringing recommendations before the Board later in the year.

More work was done last year to further develop the AALP Grad Services Program. Firm plans were put in place to conduct the first ever "Best of China International Study Tour" for AALP Grads. The tour is scheduled for March of 2004 and will proceed as planned with a minimum of 20 participants.

The Centre for Rural Leadership and its programs are well positioned to continue providing exemplary service to Ontario's agricultural, agri-food and rural sectors. I would be remiss not to acknowledge the invaluable contributions made by each member of the Board of Directors, our program graduates, our founding partners, our sponsors and donors, our volunteers and advisors and of course our staff. Each one a member of a team that is stronger by their presence, thank you.

In closing, I'm thrilled to have been given the opportunity to work with The Centre for Rural Leadership and AALP. I'm very optimistic about the future and excited about the challenges ahead.

Dan Legault
Executive Director

Highlights



The Advanced Agricultural Leadership Program

The Advanced Agricultural Leadership Program (AALP) is a 19-month executive development opportunity for men and women actively involved in Ontario's agriculture and food industry. Its aim is to provide our industry's leaders with the skills, knowledge, broad perspective and positive attitude needed for the future of the agriculture and agri-food sector. Through a series of eight three-day seminars, two international study tours, self-directed learning and distance education, AALP prepares leaders to help shape the future of their businesses, organizations and communities. It is a wonderful combination of hands-on experience, broad industry knowledge and exposure to contacts and networks that would otherwise take decades to accumulate.

Every second year, 30 participants are selected to begin this program. AALP seeks individuals who have:

- A commitment to the future of the agri-food industry and have the potential to give back to their organization or community after the program
- Demonstrated leadership potential in past activities
- Open-mindedness and vision
- A broad interest in agricultural and societal issues
- Involvement in farm, rural community or industry organizations

Class Nine

Class Nine graduated in April 2003. The 30 participants all play active roles in Ontario's agriculture, food and rural industries and have taken their AALP learnings to heart. Many of them have taken on new or more challenging roles in community organizations, and several have made upward career moves. They are an extremely close-knit class and strongly believe in giving-back to the program by recruiting, fund-raising, hosting tours and much more.

Their final seminars were held in Ottawa (October 2002), Hamilton (January 2003) and London (April 2003). Highlights included meeting and debating agricultural policies in Ottawa with the 30 participants in the *Lead New York* program; the presentations of Issue Analysis Projects; attending the Wm. A. Stewart Lecture and Reception; and hosting their own Graduation Banquet.

International Study Tour

Class Nine's International Study Tour was to China in March 2003. Dr. Clare Rennie of Semex Alliance was the curriculum advisor for the trip.

During their two week stay, Class Nine participants met with national and local agricultural leaders and examined China's resource based agricultural systems. Tours and discussions highlighted:

- the range of agricultural production from rudimentary livestock enclosures in the backyard, to vertically integrated companies with national distribution chains.
- the huge land-use problems faced by a country of 1.3 billion people, especially the fact that the Chinese government is planning for the relocation of 250 million small farmers into urban centres over the next few years.
- the impact that China's admission to the WTO has had on the economy. Since economic reform began in 1978, per capita incomes doubled once before 1988, then doubled again before 1996, an economic feat never before seen in the world. China now has the fifth largest economy in the world and is the most popular global destination for foreign investment.

- the undying optimism of the Chinese people. They truly believe that in China anything is possible. The Great Wall is a testament of what people working together can accomplish.

Class Ten

The 13 female and 17 male participants bring a wide variety of backgrounds and occupational experience to the class. They range in age from 23 to 56 years, with the average age being 37 years. The mix of sectors in the group provides a variety of perspectives from across the value chain. 14 are farming (dairy, beef, pork, veal, sheep, field crops and vegetables) while the remainder come from agri-businesses, commodity groups, banks, food processing, government and the rural sector.

Beginning in October, the AALP Class 10 schedule is as follows:

Seminars & Study Tours - 48 days

#	Date	Location	Theme
1	Oct. 6, 7, 8 2003 Mon/Tue/Wed.	Guelph	Leadership The case for leadership and developing a positive awareness of yourself as a leader in your community
2	Nov. 14, 15, 16 2003 Fri/Sat/Sun.	Peterborough (with supporter)	Communication, Facilitation, Confidence & Motivation Working together for the benefit of the individual, the family and the community
3	Jan. 19, 20, 21 2004 Mon/Tue/Wed.	Windsor	Dynamics of Change - Decision Making and Responsibility Forces of change in society; understanding and managing change and how it influences decision making and the responsibilities of leadership
4	Mar. 1, 2, 3 2004 Mon/Tue/Wed.	Toronto	Political Process; Urban Society Provincial government and agricultural policies; urban issues
5	Apr. 5, 6, 7 2004 Mon/Tue/Wed.	New Liskeard	Examining & Dealing with the Issues Strategies for analyzing and dealing with issues facing society - ethically, locally, nationally and internationally
6	Jul. 5-14 2004 (approx.)	North American Study Travel	Understanding Canadian/American Relations Varying approaches to agriculture, trade, development, resource and social policies <i>Destination to be determined.</i>
7	Nov. 1, 2, 3 2004 Mon/Tue/Wed.	Ottawa (with LEAD New York)	Federal Government; Globalization & Trade Canadian & American government: people, policies, programs; Globalization & Trade: new and emerging realities
8	Jan. 10, 11, 12 2005 Mon/Tue/Wed.	Niagara	Shaping the Future Vision and strategic planning for the future of agriculture & food industries and the rural community; Issue Analysis presentations
9	Feb. 14 - 27, 2005 (approx.)	International Study Travel	Political, Economic and Cultural Comparisons Global awareness; understanding our own society and others

			<i>Destination to be determined.</i>
10	March 31, April 1, 2, 3, 2005 Thur. eve: Stewart Lecture Fri/Sat/Sun.	London area (with supporter)	A Look Ahead Graduation; How will you use the knowledge and skills you have acquired through your experience in AALP? *Participants are responsible for the organization and delivery of this seminar.

Graduate Services Program

The Graduate Services Program provides the 264 AALP grads with life-long learning opportunities. While all grads receive some services, participants who have donated a one-time fee of \$500 also receive the alumni directory, have the opportunity to use the AALP logo as a self-marketing tool, get a discounted rate on professional development activities and more.

Grad Forums

Three Grad Forums were held throughout Class Nine – at the Sarnia, Ottawa and Hamilton seminars. Each Forum attracted between 10 – 15 grads, all of whom found the experience to be a valuable one.

Three more Grad Forums are being planned during Class 10's schedule. On November 15, 2003 in Peterborough, grads will be able to attend the "Communication, Facilitation, Confidence and Motivation" session. March 2, 2004 will be the "Political Process and Urban Society" session in Toronto and on April 2, 2005, grads will be invited to Class Ten's final seminar and graduation banquet in London.

Grad Directory

A copy of the newly revised AALP Grad Directory was distributed to all Grad Services Members, in an electronic format in July 2003. This is a very valuable networking tool set up to be easily sorted by name, address, class, position, organization, leadership activities, industry and farm type. The directory is up-to-date, comprehensive and easy to use.

Non-Grad Services Members are able to access information about graduates through the Human Resources section of the Rural Online Communications website at www.ruralonline.on.ca. This directory will be updated again after the graduation of Class Ten.

Mini-Updates

All grads receive an e-newsletter at the beginning of every month. These emails provide highlights of past activities, keep grads informed of upcoming events, and contain a "Leadership Insight." These emails have been very well received.

Grad Trip to China

An exciting development in the Graduate Services Program is the organization of the Grad Trip to China. Working with Goliger's Travel in Waterloo, we have been able to put together an all-inclusive, low-cost trip for grads that capitalizes on the connections that were built for Class Nine's International Study Tour.

Featuring the "Best of" Class Nine's trip, this is an opportunity for grads to travel to China and see for themselves the remarkable changes that are underway. They will begin to understand how China's growth will impact our agricultural industry, learn about the environmental impacts of their development, see how employment is managed for 1 billion people and see some of the most amazing historical sites in the world.

The trip will be offered to AALP grads (and sponsors) only until October 15, 2003. After that date, anyone who is interested may participate. A minimum of 20 people (and maximum of 40) is required for the trip to go ahead.

Building a Sustainable Future

2003 Wm. A Stewart Lecture and Reception

Award-winning science communicator William Illsey Atkinson was the feature speaker at the 2003 Wm. A. Stewart Lecture & Reception held on Thursday, April 3, 2003 at the London Convention Centre.

A veteran science writer, communicator and author, Atkinson has been involved in biotechnology from the start. His communication career began as a senior science writer for the National Research Council, and in 1991 he formed Draaken Science Communications, where he continues as CEO and president. Atkinson shared his wit, intelligence and insight into the opportunities for Canadian agriculture with his lecture entitled “*Technology and Innovation in Agribusiness: It’s an Entrepreneur’s World.*”

A wine and cheese reception followed the lecture and provided an opportunity to meet with Atkinson and network with Ontario’s agri-food leaders.

The Wm. A. Stewart Lecture & Reception is held every second year. The 2003 event raised \$2,943 for AALP.

Pitch’n For AALP

Members of AALP Class Nine raised the bar for future class fundraisers with the organization of the ‘Pitch’n for AALP’ recreational baseball tournament. In 2002, the event was held on August 10, at the newly completed Marden Community and Guelph Township Park, just north of Guelph. The event, which also included a pig roast and dance attracted 12 teams including commodity organizations, OMAF employees, AALP graduates from Class Four, Six and Seven (as well as a few supporters from Class Eight), Agricorp, Farm Credit and a 4-H alumni team. \$6,087 was raised for AALP at the first ball tournament.

In 2003, they followed their first success up with a second tournament on Saturday August 16 and raised **\$5,193 for a total of \$11,280** over the two years. As decided by Class Nine, this money will go to purchase an LCD projector for the AALP office. Any extra funds remaining after that purchase will be put towards a much-needed laptop computer for the program.

All indications are that this tournament will be a continuing event. Class Ten entered a team in this year’s competition (even before they officially started AALP) and are keen to organize the 2004 tournament.

Thank you...

The graduates of Class 9 (2001-2003) of the Advanced Agricultural Leadership Program (AALP) gratefully acknowledge the support of the following sponsors and donors.



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Foundation for Rural Living
Ontario Federation of Agriculture
Ontario Ministry of Agriculture and Food
University of Guelph

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ENDOWMENTS AND MEMORIAL FUNDS

Wm. A. Stewart Endowment
W. Garfield Weston Endowment
George Dmetruic Memorial Fund
Ken McKinnon Memorial Fund

Thank you... also to the many individuals and businesses that supported the AALP Dream Auction, Wm. A. Stewart Lecture & Reception and the 2002 'Pitch'n for AALP' Ball Tournament.



ADVANCED AGRICULTURAL LEADERSHIP PROGRAM

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ASSOCIATED

J.H. SIMPSON, C.A.
A. PERROTTA, C.A.
K.W. EDWARDS, C.A.

AUDITORS' REPORT

To the Members, The Centre for Rural Leadership
(A Registered Charitable Organization) Guelph, Ontario

We have audited the statement of financial position of The Centre for Rural Leadership as at June 30, 2003 and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the organization derives revenue from the general public in the form of donations, fund raising, lectures and other income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to excess of revenue over expenditures, assets and fund balances.

In our opinion, except for the effect of the adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue sources referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2003 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Guelph, Ontario
July 25, 2003

Robin Lott & Brohman LLP
Chartered Accountants

THE CENTRE FOR RURAL LEADERSHIP
(A Registered Charitable Organization)
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2003

	2003 (12 months)	2002 (9 months)
REVENUE		
Donations and sponsorships	\$ 47,845	\$ 87,965
Tuition	88,012	90,000
Fundraising	21,479	89,713
Interest income	1,303	720
Partner contributions		
O.M.A.F.	76,000	76,000
O.F.A.	10,825	10,625
University of Guelph	15,000	15,000
Grants	<u>3,302</u>	<u>0</u>
	<u>263,566</u>	<u>370,023</u>
EXPENSES		
Consulting	11,100	0
Fundraising	14,376	23,081
Incorporation cost	0	1,608
Insurance	2,549	1,235
Investment and financial management	3,506	10,933
Office expenses, copying and postage	9,040	11,961
Office rent	8,747	6,193
Professional fees	4,559	4,445
Promotion and public relations	29,058	26,930
Salaries and benefits	145,752	92,771
Seminars	204,691	85,824
Staff and meeting expenses	1,315	1,046
Telephone and fax	4,761	5,668
Website and IT repairs	<u>4,397</u>	<u>5,658</u>
	<u>443,851</u>	<u>277,353</u>
(SHORTFALL) EXCESS OF REVENUE OVER EXPENSES for the year	(180,285)	92,670
TRANSFER FROM RESTRICTED FUNDS	26,033	0
NET ASSETS, beginning of year	<u>254,514</u>	<u>161,844</u>
NET ASSETS, end of year	<u>\$ 100,262</u>	<u>\$ 254,514</u>

see accompanying notes

THE CENTRE FOR RURAL LEADERSHIP
(A Registered Charitable Organization)
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
RESTRICTED FUNDS
FOR THE YEAR ENDED JUNE 30, 2003

	W. G. WESTON FOUNDATION FUND	K. McKINNON MEMORIAL FUND	WM. A. STEWART ENDOWMENT FUND	2003 TOTAL	2002 TOTAL
REVENUES					
Investment income	\$ 10,814	\$ 2,499	\$ 20,489	\$ 33,802	\$ 25,292
Realized capital gains (losses)	(2,533)	0	0	(2,533)	0
Donations	0	0	250	250	0
	<u>8,281</u>	<u>2,499</u>	<u>20,739</u>	<u>31,519</u>	<u>25,292</u>
TRANSFER TO GENERAL FUND	<u>8,096</u>	<u>0</u>	<u>17,937</u>	<u>26,033</u>	<u>0</u>
EXCESS REVENUES OVER EXPENDITURES for the year	185	2,499	2,802	5,486	25,292
NET ASSETS, beginning of year	<u>204,412</u>	<u>50,908</u>	<u>330,272</u>	<u>585,592</u>	<u>560,300</u>
NET ASSETS, end of year	<u>\$ 204,597</u>	<u>\$ 53,407</u>	<u>\$ 333,074</u>	<u>\$ 591,078</u>	<u>\$ 585,592</u>

see accompanying notes

THE CENTRE FOR RURAL LEADERSHIP
(A Registered Charitable Organization)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2003

ASSETS

	GENERAL	RESTRICTED	TOTAL 2003	TOTAL 2002
CURRENT				
Cash	\$ 92,121	\$ 7,574	\$ 99,695	\$ 332,680
Accounts receivable	7,557	0	7,557	10,271
Prepaid expenses	0	0	0	10,127
Due from Foundation for Rural Living	14,004	0	14,004	31,008
Due from Restricted Fund	<u>622</u>	<u>0</u>	<u>622</u>	<u>873</u>
	<u>114,304</u>	<u>7,574</u>	<u>121,878</u>	<u>384,959</u>
LONG TERM				
Investments (market value \$630,274)	<u>0</u>	<u>584,126</u>	<u>584,126</u>	<u>577,032</u>
	<u>\$ 114,304</u>	<u>\$ 591,700</u>	<u>\$ 706,004</u>	<u>\$ 961,991</u>

LIABILITIES

CURRENT				
Accounts payable and accrued liabilities	\$ 14,042	\$ 0	\$ 14,042	\$ 2,000
Deferred revenue	0	0	0	119,012
Due to General Fund	<u>0</u>	<u>622</u>	<u>622</u>	<u>873</u>
	<u>14,042</u>	<u>622</u>	<u>14,664</u>	<u>121,885</u>

NET ASSETS

NET ASSETS	<u>100,262</u>	<u>591,078</u>	<u>691,340</u>	<u>840,106</u>
	<u>\$ 114,304</u>	<u>\$ 591,700</u>	<u>\$ 706,004</u>	<u>\$ 961,991</u>

see accompanying notes

APPROVED ON BEHALF OF THE BOARD BY:

_____ Director

_____ Director

THE CENTRE FOR RURAL LEADERSHIP
(A Registered Charitable Organization)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

1. DESCRIPTION OF ORGANIZATION

The Centre for Rural Leadership is a registered charitable organization dedicated to helping future leaders develop the skills required to move agriculture into the 21st century.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

(a) **BASIS OF ACCOUNTING**

Revenues are recognized when earned. Expenses are recognized when incurred.

(b) **INVESTMENTS**

Investments are stated at the lower of cost and net realizable value.

(c) **USE OF ESTIMATES**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(d) **FINANCIAL INSTRUMENTS**

Fair value of financial assets and financial liabilities

The carrying values of cash, accounts receivable, prepaid expenses, accounts payable and accrued liabilities, deferred revenues and investments approximate their fair value due to the relatively short periods to maturity of these items.

3. FUNDS HELD IN TRUST BY THE FOUNDATION FOR RURAL LIVING

The Foundation For Rural Living held funds amounting to \$693,379 at June 30, 2003 on behalf of The Centre for Rural Leadership. This includes the restricted funds referred to in note 4.

4. RESTRICTED FUNDS HELD IN TRUST

The Foundation for Rural Living is the Trustee of the Wm. A. Stewart Endowment Fund, the W. Garfield Weston Foundation Fund and the Ken McKinnon Memorial Fund. These funds are to be invested, in trust, for The Centre for Rural Leadership, with investment income to be used to support the organization. A minimum of 10% of the total annual income of the Wm. A. Stewart Endowment Fund and 30% of the total annual income of the W. Garfield Weston Foundation Fund must be reinvested under the conditions of the fund. The investments are in Guaranteed Investment Certificates and Bonds administered by RBC Dominion Securities. Interest rates vary from 4.4% to 7.5% and mature at various dates from 2004 - 2009. Investments are stated at cost. The market value of the investments at June 30, 2003 was \$630,274.

**THE CENTRE FOR RURAL LEADERSHIP
(A Registered Charitable Organization)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

5. STATEMENT OF CASH FLOWS

The statement of cash flows has not been prepared because it would not provide any additional useful information for users of the financial statements.

6. ORGANIZATION AND YEAR END CHANGES

The organization was incorporated in January 2002 and obtained charitable status. The Centre for Rural Leadership began operating under the current name as of July 1, 2002. Comparative figures are for the Advanced Agricultural Leadership Program. The fiscal year end date was changed to June 30 from September 30. This change was done to coincide with the time period of the program classes. The change resulted in a shortened period end of nine months for the fiscal period ended June 30, 2002.

7. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform to the current year's presentation.

8. LEASE COMMITMENTS

The organization has entered into a lease commitment for its premises. Future minimum payments are as follows:

2004	\$ 8,126
2005	8,126
2006	8,126
2007	<u>3,386</u>
	<u>\$27,764</u>

Board of Directors and AALP Curriculum Team The Centre for Rural Leadership

Representatives from the AALP alumni, agri-business, and the four founding AALP partners (Foundation for Rural Living, Ontario Federation of Agriculture, Ontario Ministry of Agriculture & Food, and University of Guelph) established The Centre for Rural Leadership and act as the Board of Directors.

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Kevin Thompson
Association of Ontario Chicken Processors

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AALP Curriculum Team

In addition to our staff, these individuals lend their knowledge, experience and networks to help develop quality curriculum.

Jim Mahone
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** Indicates an AALP Graduate*