

CALIFORNIA WHEAT COMMISSION

Financial Statements
Supplementary Information
and
Independent Auditor's Report

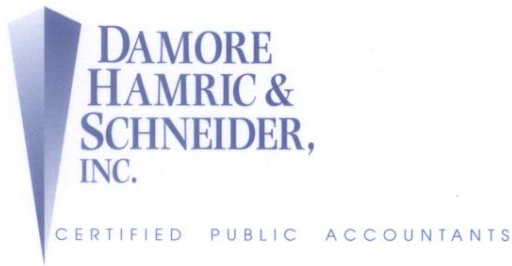
For the Fiscal Years Ended April 30, 2012 and 2011

California Wheat Commission

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of California Wheat Commission

We have audited the accompanying financial statements of the California Wheat Commission as of and for the fiscal years ended April 30, 2012 and 2011, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the California Wheat Commission as of April 30, 2012 and 2011, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management has not presented a Management's Discussion and Analysis (MD&A) that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Damore, Hamric & Schneider Inc
DAMORE, HAMRIC & SCHNEIDER, INC.
Certified Public Accountants

August 10, 2012

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California Wheat Commission

STATEMENTS OF NET ASSETS

April 30, 2012 and 2011

<u>Current Assets:</u>	<u>2012</u>	<u>2011</u>
Cash and Cash Equivalents	\$ 565,324	\$ 460,988
Investments	\$ 631,984	\$ 844,751
Receivables:		
Assessments	\$ 15,892	\$ 18,127
Related Party Receivable, Current Portion	700	700
Other	3,146	1,753
	<u>\$ 19,738</u>	<u>\$ 20,580</u>
Prepaid Contracts	\$ 77,286	\$ 50,366
Prepaid Expenses	15,516	6,525
	<u>\$ 92,802</u>	<u>\$ 56,891</u>
 Total Current Assets	 <u>\$ 1,309,848</u>	 <u>\$ 1,383,210</u>
Investments	\$ 402,754	\$ 125,224
Property and Equipment, Net of Accumulated Depreciation	224,945	234,060
Related Party Receivable, Net of Current Portion	1,400	4,200
	<u>\$ 629,099</u>	<u>\$ 363,484</u>
 Total Non-Current Assets	 <u>\$ 629,099</u>	 <u>\$ 363,484</u>
 Total Assets	 <u><u>\$ 1,938,947</u></u>	 <u><u>\$ 1,746,694</u></u>

The accompanying notes are an integral part of the financial statements.

California Wheat Commission

STATEMENTS OF NET ASSETS

April 30, 2012 and 2011

<u>Current Liabilities:</u>	<u>2012</u>	<u>2011</u>
Accounts Payable	\$ 22,179	\$ 14,036
Contributions Payable, Current Portion		1,777
Pension Payable	24,797	30,613
Accrued Vacation	<u>32,204</u>	<u>30,563</u>
Total Liabilities	<u>\$ 79,180</u>	<u>\$ 76,989</u>
 <u>Net Assets:</u>		
Invested in Capital Assets, Net of Related Debt	\$ 224,945	\$ 234,060
Unrestricted	<u>1,634,822</u>	<u>1,435,645</u>
Total Net Assets	<u>\$ 1,859,767</u>	<u>\$ 1,669,705</u>
Total Liabilities and Net Assets	<u><u>\$ 1,938,947</u></u>	<u><u>\$ 1,746,694</u></u>

The accompanying notes are an integral part of the financial statements.

California Wheat Commission

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

For the Years Ended April 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assessments Revenue, Net of Refunds of \$34,179 in 2012 and \$58,583 in 2011	\$ 1,172,369	\$ 1,044,538
<u>Laboratory Revenue:</u>		
Crop Quality	\$ 12,167	\$ 11,386
Laboratory Analysis	<u>28,003</u>	<u>27,342</u>
	<u>\$ 40,170</u>	<u>\$ 38,728</u>
<u>Other Income:</u>		
Miscellaneous	<u>\$ 100</u>	<u>\$ 100</u>
Total Operating Revenue	<u>\$ 1,212,639</u>	<u>\$ 1,083,366</u>
<u>Expenses:</u>		
General and Administrative	\$ 400,720	\$ 410,860
Research Projects	287,691	221,456
Market Development	139,550	110,361
Laboratory	<u>205,376</u>	<u>194,824</u>
Total Operating Expenses	<u>\$ 1,033,337</u>	<u>\$ 937,501</u>
Operating Income	<u>\$ 179,302</u>	<u>\$ 145,865</u>
<u>Other Income (Expense):</u>		
Interest Income	<u>\$ 10,760</u>	<u>\$ 13,202</u>
Total Other Income	<u>\$ 10,760</u>	<u>\$ 13,202</u>
Change In Net Assets	\$ 190,062	\$ 159,067
Net Assets, Beginning of Year	<u>1,669,705</u>	<u>1,510,638</u>
Net Assets, End of Year	<u><u>\$ 1,859,767</u></u>	<u><u>\$ 1,669,705</u></u>

The accompanying notes are an integral part of the financial statements.

California Wheat Commission

STATEMENTS OF CASH FLOWS

For the Years Ended April 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Cash Flows from Operating Activities:</u>		
Receipts from Customers	\$ 1,213,481	\$ 1,148,271
Payments to Employees	(404,305)	(396,660)
Payments to Suppliers	(624,894)	(521,371)
Net Cash Provided by Operating Activities	<u>\$ 184,282</u>	<u>\$ 230,240</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition of Capital Assets	(\$ 28,743)	(\$ 2,100)
Net Cash Used by Capital and Related Financing Activities	<u>(\$ 28,743)</u>	<u>(\$ 2,100)</u>
<u>Cash Flows from Investing Activities:</u>		
Interest Income	\$ 10,760	\$ 13,202
Sale of Investments	846,302	948,923
Purchase of Investments	(908,265)	(969,975)
Net Cash Used by Investing Activities	<u>(\$ 51,203)</u>	<u>(\$ 7,850)</u>
Net Increase in Cash and Cash Equivalents	\$ 104,336	\$ 220,290
Cash and Cash Equivalents, Beginning of Year	<u>460,988</u>	<u>240,698</u>
Cash and Cash Equivalents, End of Year	<u>\$ 565,324</u>	<u>\$ 460,988</u>

The accompanying notes are an integral part of the financial statements.

California Wheat Commission

STATEMENTS OF CASH FLOWS

For the Years Ended April 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Reconciliation of Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income	\$ 179,302	\$ 145,865
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	37,858	34,440
(Increase) Decrease in:		
Receivables	842	66,204
Prepaid Expenses	(35,911)	(28,532)
Increase (Decrease) in:		
Accounts Payable	8,143	1,420
Contributions Payable	(1,777)	
Profit Sharing Contribution Payable	(5,816)	3,698
Compensated Absences	1,641	7,145
Net Cash Provided by Operating Activities	<u>\$ 184,282</u>	<u>\$ 230,240</u>

The accompanying notes are an integral part of the financial statements.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of California Wheat Commission (Commission) conform to U.S. generally accepted accounting principles as applied to government units. The following is a summary of significant accounting policies.

- A. Organization and Description of the Commission - The California Wheat Commission is a nonprofit, nontaxable instrumentality of the State of California operating within the authority of Chapter 10, Division 22 of the Food and Agriculture Code. It was formed in 1982 for the purpose of managing a research and market development program for the California wheat industry. The Commission also conducts research into the development of wheat varieties more suitable to the domestic and export trade, as well as varieties more productive under California growing conditions.
- B. Financial Statements Presentation - The Commission applies all applicable GASB pronouncements (including all National Council on Governmental Accounting Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict FASB pronouncements: Accounting Standards Codification (ASC) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the Committee on Accounting Procedure.

Governmental Accounting Standards Board Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement 34 established standards for external financial reporting for all state and local governmental entities requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

B. Financial Statements Presentation (Continued):

If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds. The Commission had no related debt at April 30, 2012 and 2011.

- *Restricted* - This component of net assets consists of restrictions placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Commission had no restricted assets at April 30, 2012 and 2011.
- *Unrestricted net assets* - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

C. Basis of Accounting/Measurement Focus - The financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues are those revenues that are generated from primary operations. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to primary operations. All other expenses are reported as non-operating expenses.

D. Cash and Cash Equivalents - For purposes of the statement of cash flows, the Commission considers all highly liquid debt instruments purchased with a maturity of six months or less to be cash equivalents.

E. Investments - The Commission can invest in certificates of deposits and treasury bills. Short-term investments as of April 30, 2012 consisted of various Certificate of Deposit Account Registry Service (CDARS) accounts with maturity dates ranging from July 2012 through February 2013. The Commission had one long-term investment in a CDARS

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

E. Investments (continued):

account with a maturity date of October 2013 and one Certificate of Deposit with Edward Jones with a maturity date of August 2013. Short-term investments as of April 30, 2011 consisted of various CDARS accounts with maturity dates ranging from July 2011 through February 2012.

F. Assessments Receivable - The Commission's receivables consist of assessments to wheat growers located throughout California. The Commission considers assessments receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

G. Assessments Revenue - Commission operations are financed principally by assessments to wheat growers based on pounds of wheat handled. The assessment rates were five cents per hundred weight of wheat handled in the fiscal years ended April 30, 2012 and April 30, 2011.

H. Property and Equipment - Property and equipment are stated at cost. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on a straight-line basis. Leasehold improvements are amortized over the lives of the respective leases, including renewal options, or the service lives of the improvements, whichever is shorter. The estimated lives used in determining depreciation and amortization are:

Leasehold improvements	23 years
Machinery and other equipment	3-10 years
Condominium Suite	40 years

I. Use of Estimates - In preparing financial statements in conformity with U.S. generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

- J. Post Retirement Benefits - The Commission provides no post retirement benefits other than pensions (see Note 7) for its employees.
- K. Compensated Absences - The Commission accrues a liability for unpaid vacation in accordance with GASB 16. Vacation pay is accumulated at various rates depending on length of service.
- L. Use of Restricted/Unrestricted Net Assets - When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Commission's policy is to apply restricted net assets first.
- M. Operating/Non-Operating Revenue and Expenses - Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Commission's principal ongoing operations. The principal operating revenues of the Commission are assessments to wheat growers. Operating expenses of the Commission include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.
- N. Comparative Data and Reclassifications - Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Commission's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS:

The Commission maintains cash balances in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for interest-bearing and \$250,000 for noninterest-bearing accounts. At April 30, 2012, all bank balances were insured. In addition to bank accounts, the Commission had funds in a money market account with an investment broker that was closed during the fiscal year ending April 30, 2011. During the year ended April 30, 2012, the Commission started investing in a Certificate of Deposit with Edward Jones with a balance of \$200,000 at the end of the year. During the year ended April 30, 2011, the Commission started investing in the Certificate of Deposit Account Registry Service (CDARS) accounts. The balances as of April

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued):

30, 2012 and 2011 were \$833,275 and \$969,975, respectively. The total carrying values of amounts on deposit with financial institutions as of April 30, 2012 and 2011 were as follows: cash and cash equivalents - \$565,324 and \$460,988, respectively; investments - \$1,034,738 and \$969,975, respectively.

Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a depositor will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a depositor will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As a means of limiting its exposure to custodial credit risk, the Commission maintains its cash balances within insurance limits.

Interest Risk - As a means of limiting its exposure to interest rate risk, the Commission diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The Commission also varies investment maturity dates to ensure the Commission is able to change investment vehicles in response to changes in interest rates.

NOTE 3 RELATED PARTY RECEIVABLE:

Between April 2002 and October 2003, funds totaling \$9,523 were advanced by the Commission to establish the Foundation. The balances of \$2,100 and \$4,900 as of April 30, 2012 and 2011, respectively, represent the amounts that remain as outstanding debt. Of these amounts, \$1,400 and \$4,200 were not expected to be paid within one year as of April 30, 2012 and 2011, respectively.

The California Department of Food and Agriculture (CDFA) provides marketing and supervision to the Commission. The Commission paid CDFA \$12,646 and \$11,104 for these services for the fiscal years ending April 30, 2012 and 2011, respectively. As of the end of the 2012 and 2011 fiscal years, amounts owed to CDFA for these services were \$2,441 and \$1,777, respectively.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 4 PROPERTY AND EQUIPMENT:

Property and equipment at April 30, 2012 consisted of:

<u>Capital Assets being Depreciated:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Leasehold Improvements	\$ 164,408	\$	\$	\$ 164,408
Office & Laboratory Equipment	500,770	28,743	1,044	528,469
Condominium Suite	200,000			200,000
Total Capital Assets Being Depreciated	\$ 865,178	\$ 28,743	\$ 1,044	\$ 892,877
Less Accumulated Depreciation	(631,118)	(37,858)	(1,044)	(667,932)
Net Capital Assets	<u>\$ 234,060</u>	<u>(\$ 9,115)</u>	<u>\$ 0</u>	<u>\$ 224,945</u>

Depreciation expense for the year ended April 30, 2012 was \$37,858.

Property and equipment at April 30, 2011 consisted of:

<u>Capital Assets being Depreciated:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Leasehold Improvements	\$ 164,408	\$	\$	\$ 164,408
Office & Laboratory Equipment	503,223	2,100	4,553	500,770
Condominium Suite	200,000			200,000
Total Capital Assets Being Depreciated	\$ 867,631	\$ 2,100	\$ 4,553	\$ 865,178
Less Accumulated Depreciation	(601,231)	(34,440)	(4,553)	(631,118)
Net Capital Assets	<u>\$ 266,400</u>	<u>(\$ 32,340)</u>	<u>\$ 0</u>	<u>\$ 234,060</u>

Depreciation expense for the year ended April 30, 2011 was \$34,440.

NOTE 5 CONTRIBUTIONS PAYABLE:

The Commission entered into an agreement to contribute \$10,800 to UC Davis towards the purchase of a harvester spread evenly over a five-year period beginning in the fiscal year ended April 30, 2009. The agreement was subsequently modified by mutual consent between the Commission and UC Davis to a total of \$8,883 due to changes in the total cost of the harvester. The total amount contributed during each of the fiscal years ended April 30, 2012 and 2011 was \$1,777.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 5 CONTRIBUTIONS PAYABLE (Continued):

The schedule of changes in the contribution payable balance for the year ended April 30, 2012 is as follows:

Balance May 1, 2011	Additions	Reductions	Balance April 30, 2012
\$ 1,777	\$ _____	(\$ 1,777)	\$ _____

The schedule of changes in the contribution payable balance for the year ended April 30, 2011 is as follows:

Balance May 1, 2010	Additions	Reductions	Balance April 30, 2011
\$ 3,554	\$ _____	(\$ 1,777)	\$ 1,777

NOTE 6 LEASES:

The Commission was committed under a noncancelable operating lease for office equipment. The lease started during the fiscal year and future minimum operating lease commitments are as follows:

<u>Year Ending April 30,</u>	
2013	\$ 515
2014	515
2015	515
2016	515
2017	<u>214</u>
	<u>\$ 2,274</u>

Total lease expense for the years ended April 30, 2012 and 2011 was \$1,943 and \$2,126.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

NOTE 7 PENSION PLAN:

The Commission sponsors a defined contribution profit sharing 401(k) plan that was administered by Employee Fiduciary. Employees who are at least 20 years of age and have completed 1,000 hours of service are eligible to participate in the Plan. Participants vest in the Plan as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
1	33.33%
2	66.67%
3	100.00%

The Plan provides that the Commission make annual contributions at 10% of total annual compensation paid to all participants. Total pension expense was \$26,446 and \$32,469 for the years ended April 30, 2012 and 2011, respectively. Employees may also elect to make additional individual contributions.

NOTE 8 BUDGETARY CONTROL:

The Commission adopts an operating budget at the beginning of each year. The following is a summary of the budgets and results for 2012:

	<u>2012</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues	\$ 1,049,500	\$ 1,074,500	\$ 1,223,399	\$ 148,899
Expenses	1,158,397	1,119,397	1,033,337 *	86,060

* Includes depreciation expense (unbudgeted item) of \$37,858.

The following is a summary of the budgets and results for 2011:

	<u>2011</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues	\$ 951,000	\$ 1,051,000	\$ 1,096,569	\$ 45,569
Expenses	913,901	1,070,901	937,501 *	133,400

* Includes depreciation expense (unbudgeted item) of \$34,440.

California Wheat Commission

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

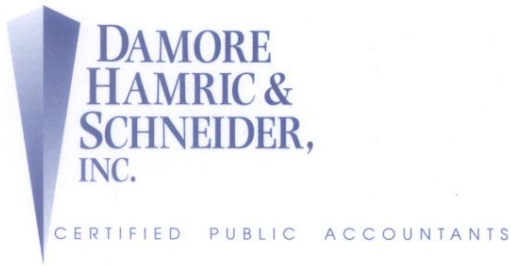
NOTE 9 COMMITMENTS:

The Commission has entered into contract commitments whose terms exceed the Commission's year end. As of April 30, 2012 and 2011, remaining commitments totaled \$33,000 and \$25,000, respectively.

NOTE 10 CONTINGENCY:

The California Wheat Commission is subject to a re-approval hearing in the fifth year following the effective date of the marketing order and every five years thereafter. At that time, it is determined if the program is meeting the declared objectives and if it will be renewed for the following five years. The Commission was reconfirmed at a voting referendum in February 2009 to operate through April 2013.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Commissioners
of California Wheat Commission

We have audited the financial statements of the California Wheat Commission as of and for the years ended April 30, 2012 and 2011, and have issued our report thereon dated August 10, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The statements of general and administrative expenses on the following page is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Damore, Hamric & Schneider Inc

DAMORE, HAMRIC & SCHNEIDER, INC.
Certified Public Accountants

August 10, 2012

California Wheat Commission

STATEMENTS OF GENERAL AND ADMINISTRATIVE EXPENSES

For the Fiscal Years Ended April 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Salaries	\$ 186,366	\$ 183,891
Payroll Taxes and Employee Benefits	34,023	39,207
Publications	15,379	16,365
California Association of Wheat Growers	42,500	42,500
Staff Expenses	2,033	9,910
Commissioners' Expenses	20,245	22,649
Office Expenses	6,744	6,365
Insurance	14,325	17,675
Utilities	4,170	3,774
Occupancy	8,188	8,311
Legal and Accounting	16,243	14,669
California Department of Food and Agriculture	12,646	11,104
Depreciation	<u>37,858</u>	<u>34,440</u>
	<u>\$ 400,720</u>	<u>\$ 410,860</u>