



# Wheatland Kernels

From Wheatland Accounting Services Ltd.

Visit our website at [www.wheatlandaccounting.com](http://www.wheatlandaccounting.com)

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## President's Message

As I write this message today, the snow falling outside is a reminder that winter weather is just around the corner. While we do expect that this snow will disappear as fall days swing back and forth between positive and negative temperatures, the added moisture and coolness is certainly not welcomed at the moment by those who still have crop in the field.

Although harvest got off to an early start this year, there have been many moisture interruptions that have prolonged it. At the time of writing, it is primarily the corn, beans and flax that are still out in the field. For the most part yields have been fantastic this year with the primary problem crop being lentils that in some cases fell short of an average yield. Wheat quality has been another negative factor with fusarium infection being the culprit. Prices in general have lowered, however to some extent the low Canadian dollar has helped to prop up price, and for those with good quantity and quality crops there should be decent returns.

As the fall winds down it is time to think seriously about your tax situation again. Please book an appointment for this now so that we are sure we have the time to adequately review your tax position. As usual we encourage you to have your information to us in early November.

We are glad to welcome Cherice Johnson to our team. Cherice is a CPA who has worked with agriculture clients for 13 years as well as actively farmed in a family livestock and crop operation all of her life. Combined with our tremendous existing team we are poised to provide you with the proactive, quality service that we aspire for.

Thanks again for trusting your business to our care, we consider this a serious responsibility and look forward to continuing to work with you in the future.

*Kelvin Shultz PBA CAFA Dip Ag*

## Payroll Reconciliations:

*We like to reconcile your payroll accounts with CRA before the final remittance date for 2016, which is January 15. Please have all of your Payroll Information to us by January 2, 2017!*

## Paperless

*In an effort to go paperless we will be sending year end reminder letters, and 2017 Contracts, to clients electronically. If you would like to have a paper copy of your contract please contact our office. Also let us know if you would like your invoices sent electronically*

## Co-op Accounts

It is important to ensure that the co-op account for your farm corporation does not have your personal name or social insurance number attached to it. If it does please contact your co-op about changing it or opening another account in your Corporations name. If you have any questions about this please contact our office.

## Combined Federal & SK Tax Brackets for 2016

| Personal                  | Corporate   |
|---------------------------|---|
| Under \$44,601 – 26%      | Active income up to \$500,000 - 12.5%             |
| \$44,601-45282– 28%       | Active income over \$500,000 - 27%                |
| \$45,282-90,563 – 33.5%   | Investment Income before dividend refund - 50.67% |
| \$90,563– 127,430 – 39%   | Investment income after dividend refund - 20%     |
| \$127,430-140,388 – 41%   |   |
| \$140,388 - 200,000 --44% |   |
| Over \$200,000 – 48%      |   |

## 2016 Tax Reviews:

**It is nearing year end and time to think about your tax situation again. For those of you who have a tax review included in your contract we would appreciate receiving your information in early November to ensure that we will have time and opportunity to complete the review for you. Please also include an estimate of any income and expenses that you expect to have up until December 31, 2016**

## **Office Hours**

**Monday-Friday 9-5**  
**Closed from**  
**12:00-1:00**

## ***Holiday Hours***

*December 26, 2016: Closed*  
*December 27, 2016: Closed*  
*January 2, 2017: Closed*

We will no longer be keeping credit card authorization forms on hand for more than a year. There will be another form sent out with your contract, if you would like to continue having us process your payment to your credit card please sign and return this form to the office.

*Please return CASL Authorization Forms sent out with your contracts as this enables us to email our newsletter and other important information to you.*

*Canada Revenue Agency requires us to have Signed authorizations to Efile your return our office before we file a tax return. Please ensure that these signed forms have been returned to our office otherwise filling your return will be delayed.*

## **Successful Succession!**

They say time flies when you are having fun! That is very true for those of us who have poured our time and resources into building up a farm or a business. It seems it is no time at all until we change our focus away from building a viable operation to transitioning that operation to the next generation within the family or to a third party altogether.

You will notice that we have included a brochure regarding an upcoming all day seminar on farm succession. If you are at the stage or see the time coming when you will begin considering options available to you to transfer the farm to the kids, this day will be of particular interest to you.

This session is put on by the Canadian Association of Farm Advisors (CAFA) and includes many speakers from their membership dealing with issues ranging from the touchy feely side of succession to the more technical side of making it happen.

Kelvin, as one of the speakers is pleased to give a presentation on business structure and how it relates to succession. He will mention various tools that are available to farmers wishing to pass on their operation to the next generation and yet receive for themselves a retirement lifestyle that they desire. At the same time, it is important to consider the generation picking up the torch and do the transition in such a way that they too can maintain the lifestyle that their family requires. All of this entails a lot of careful thought and planning, and often the planning is best begun years before the transition takes place, so as to lay a business structure foundation that will move seamlessly from one generation to the next. In addition to the farming child, other children must be considered in the plan as well adding an element of complexity to it and even more need to think ahead to how it all will fit together.

Please let us know if you are interested in attending this Saskatoon seminar as we can assist with your registration.

## **New Service Contracts**

Two years ago we moved to fixed price billing contracts that priced our services in advance so there would be no surprises regarding our invoices in the coming year. Included in these contracts were features like: a two-year price freeze, flexible payment terms, early payment discounts, a service guarantee, unlimited access to staff, audit assistance, tax adjustments as required and forwarding financial information as requested to financial institutions.

In responding to our clients we are trying to individualize these contracts to provide pricing and service options that align with our client's needs. Some clients will get a call from Danielle this fall, the objective of which is to clarify what services and features are important to them. Unfortunately, we cannot have this discussion with everyone before our new contracts come out, but in the future we hope to make this contact with any for whom it would be a benefit.

Whether or not we have had opportunity to contact you regarding this, we are changing our contracts to give you more service and feature choices. To simplify this process, we are developing three levels of services at three different price options. There will be a Gold, Silver and Bronze service level offered to all clients with options varying from basic value services and features to higher value services and features.

Because we appreciate your business, we are always looking for ways to serve you better and give you just the services and information that will make your life easier, and your business more profitable. We hope these new contracts will be a step towards that goal. We always appreciate hearing your thoughts regarding what would make our services more valuable to you.