



# Wheatland Kernels

From Wheatland Accounting Services Ltd.

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

Spring 2018

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*Annual Summer  
Barbeque  
12:00-1:00pm  
June 21st  
Drop In Centre  
Everyone Welcome*

## Important Deadlines

AgriStability application  
deadline  
without penalty  
September 30, 2018  
*Please complete the forms  
our office has sent to you no  
later than July 31st*

AgriStability  
application deadline with  
penalty  
December 31, 2018  
*A penalty of \$500/month  
will be reduced from your  
benefit*

AgriStability fee  
deadline with 20%  
penalty applied  
December 31, 2018

AgriInvest deposits to be  
made **90 days from the  
deposit notice**

## Tax Draw Winners!

Submitting Income Tax  
by March 1:  
**Dale Tytlandsvik**

For Payment by  
Etransfer:  
**Tristen Crooks**

## Presidents Report

Seeding is pretty well wrapped up in SE Saskatchewan as I write this. Farmers were able to get the seed into the ground without many weather delays, but over the last couple of weeks, rains scattered across the region have been welcome. Excessive rainfall in some areas however have taken considerable acreage out of production. Pasture and hay land are off to a poor start due to lack of snow cover and early rains causing some concern about the feed supply for this coming year.

The 2017 tax season is now behind us and once again our team at Wheatland has pulled together to make it a success. The dedication and hard work of each team member together with the loyalty of our clients is very appreciated and valued.

We are launching a new business analysis service called "Ag Aware and Compare" that will bring to life the numbers on your financial statement to make you aware of trends in your operation and will compare your farm with agriculture industry benchmarks. You will find details of this exciting new offering in this newsletter

Congratulations to Katey and her husband Mitch who were happy to welcome their second child Kayla Dawn Michelle into the world April 20, 2017. Katey is at home being a full time Mom for Kayla's first year, after which we hope to welcome her back to our team again.

Cherice will be moving to Swift Current, her hometown, where she is looking forward to being near family and friends. We have appreciated her contribution to our team over the last two years. Some of our experienced team members are stepping in to cover the areas that Cherice has been working in.

## Ag Aware and Compare

Are your financial statements meaningless numbers filed away in the office? Let us help you! Our new service offering called "Ag Aware and Compare" will bring those numbers to life and give them meaning for you. This service looks at your ratios and margins over the last three to five years to determine trends in your operation and compare your farm business with industry averages and benchmarks. Have you ever wondered how your input costs compare, or if your cost of capital is reasonable? Stay on top of your business as this analysis brings to light strengths and weaknesses in your operation and promotes thought and discussion towards improvements that could be made.

We are offering promotional pricing for this service if you book during June and July. So call us now to enroll so you can be aware and compare!

## **Office Hours**

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

## **T5018 Filing Deadline June 30**

If you are involved in construction activities and make payments to subcontractors for construction services, you must report amounts paid or credited on a T5018.

## **Reminder**

Please keep your corporate tax remittance Vouchers as CRA does not issue generic ones.

*The payroll deductions tables are updated in January and July of each year, so please be sure to update your EI and CPP calculations if you pay the same salary each month.*

***Congratulations  
to our  
Wheatland  
“Passionate about  
Agriculture”  
Scholarship Winners  
2018***

*Jaden Nell, Francis*

*Rene Czemerer, Cupar*

*Taryn Ripplinger, Kendal*

## **Canadian Agriculture Partnership (CAP)**

Every five years the Canadian government together with the provinces formulate a suite of farm programs that will service agriculture for the next term. Growing Forward 2 fulfilled its five year term December 31, 2017 and has been phased out to be replaced with the Canadian Agriculture Partnership.

Many programs are delivered under the umbrella of CAP including AgriStability and AgriInvest. Although the basics of these programs are very similar to the Growing Forward 2 version there are some changes that we will summarize here:

### **AgriStability**

**Reference Margin Limit (RML):** Under the previous version of AgriStability, the reference margin was determined using the lower of two calculations. One calculation takes allowable revenue such as commodity sales and income from insurance on commodities less direct costs including purchase of commodities, chemical, fertilizer, power and commodity insurance premiums. The second calculation (RML) is essentially the total allowable expenses for the year. With the RML calculation low cost producers were being disadvantaged because their allowable expenses were low, thus resulting in their margin being correspondingly low.

The changes made to the second calculation (RML) for 2018 and beyond attempts to address this inequity. There is now a guarantee that the RML can be no less than 70% of the first calculation.

Payments are triggered under AgriStability when the current year margin is 70% or less than the average of 3 of the 5 previous year's reference margins. Applying the new RML method, very low cost producers will be covered for 70% of 70% of their first calculation, or 49% of the first calculation whereas before their payment was capped at their allowable expenses, which could have been a lesser amount.

Another change is that in a disaster situation the province can open up admittance to the program past the normal April 30<sup>th</sup> deadline (resulting in a 20% reduction of benefits received for that year for the producer).

### **AgriInvest**

There is a reduction from \$1.5 million to \$1 million in the cap on the dollar amount of eligible net sales that qualify for the program. A farmer can contribute 1% of their eligible net sales (commodity sales & insurance less commodity purchases) up to this reduced amount. For a producer with 1.5 million in net sales or more this represents a \$5,000 reduction in the government matching contributions to their AgriInvest account.