



Wheatland Kernels

From Wheatland Accounting Services Ltd.



P.O. Box 123
Fillmore, SK S0G 1N0
Ph: (306) 722-3884
Fax: (306) 722-3560
info@wheatlandaccounting.com

Visit our website at www.wheatlandaccounting.com

Summer 2014

Important Deadlines

September 30, 2014

AgriStability application deadline

December 1, 2014

Final deadline to submit information to our office for a tax review

Upon your request, Wheatland will complete a tax review for you

December 31, 2014

Final deadline for paying the 2014 AgriStability fee with 20% penalty applied.

Final deadline for submitting your AgriStability application with penalty

Donations

Donation receipts must be in the name of the taxpayer that is claiming the credit, CRA will not allow a credit for an individual when the charitable donation receipt is issued to your corporate name and vice versa.

Generally speaking the charitable donation tax credit is more beneficial on a personal tax return than a corporate tax return. This can be used as a guide when deciding where to make your donations.

Presidents Message

Harvest has been progressing sporadically this year with the wet weather we have been having. The sun is shining as I write this, so one can hope that there will be some nicer weather ahead. The feel of fall is in the air and it always leaves one thought of "where did summer go?"

It is nice that most of our team took some summer holidays over the last couple months. Elaine and I made it down to Idaho and had an enjoyable week there until we heard that her mother had a stroke which resulted in a quick trip back to Regina. We then had almost a week with her before her passing on August 16th. She is greatly missed.

We welcomed Brad McNeil to our team in July. Brad spent part of his growing up years here in Fillmore so it is a little like coming home for him. He has spent several years with different accounting firms in Weyburn, working in areas that we work in here, we are excited about the contribution he will make to our team. Brad will work primarily in the areas of AgriStability, financial statements and tax preparation.

Some say there is something in the water here which has not yet been proven, however, two of our team members are expecting a new addition to their families over the next few months. We are excited for Aimee and Barry expecting their second child as well as Jenn and Keith on expecting their third.

Did you know that Wheatland Accounting is becoming very "techy," please check out the changes to our website, follow us on twitter (kshultz@wheatlandacct) or on facebook! We hope to use these media tools to forward valuable information and keep our followers up to date with what's going on within Wheatland.

Back by popular demand is the "Understanding Corporations" workshop that we introduced last winter. We are holding this workshop on two separate days; November 14, 2014 and January 14, 2015. In addition to this, we are excited to offer a new workshop, "Understanding Financial Statements" January 15, 2015. You can visit our website for more details.

Have a safe harvest!

Kelvin Shultz RPA CAFA Dip Ag

AgriInvest Online

You can now view your AgriInvest statements and other information by signing up online to "My AAFC Account." Visit www.agr.gc.ca/myaccount to sign up and learn how having online access can benefit you!

By signing up online you can grant access to third parties such as Wheatland, so they can view your statements to complete bookkeeping, personal and corporate tax instead of asking you for the statements.

To grant access to Wheatland through your account please follow these steps:

- Log into your account
- Select the link "Manage Delegation Records"
- Select the application for representation
- Add the delegation record and associated permissions
- Wheatland's Delegation Code is 9008769741

If you have any questions when adding Wheatland's Delegation Code, please contact the office and we will be more than happy to assist you.

Fall & Winter Ag

Workshop

Wheatland is offering a one day workshop for the following:

Understanding Corporations

and how to use them to effectively grow, operate and transition your farm

November 14, 2014 &
January 14, 2015

Understanding Financial Statements

and their use in managing your farm

January 15, 2015

For more details please contact our office!

Attention AgriStability Participants

We will soon be mailing out a document for your signature that enables us to obtain information from Sask Crop Insurance on your behalf. This will assist us in completing your application in a more efficient manner and will reduce questions we may have when preparing your returns.

Office Hours

Monday-Friday 9-5
Closed from 12:00-1:00
Saturday Closed
Sunday Closed

Holiday Office Hours

Closed December 25th/26th & Jan 1st
Closed at 3:00pm on December 24th & 31st

Getting the most from your Financial Statements!

Once a year a corporate farmer will receive a set of Financial Statements with their Corporate Tax return. Are these statements just collecting dust in your drawer? Or have you taken time to review them and understand what they really mean? What is the hidden message within the numbers?

First of all it is important to ensure that these statements are prepared on the accrual basis as cash basis financial statements provide very little useful information beyond giving some indication of your tax position. An accrual income statement will match the income to the year it was produced and the expense to the year it was incurred. This gives a more accurate picture of profit or loss in any given year than cash statements, which reports only what was sold and paid during the year. Accrual financial statements will also include a balance sheet, which is a snapshot of your operation at any given time (usually at year end). This snapshot will contain the value of all the assets of the business broken down into current (expected to be turned into cash within one year) and long term. The balance sheet will also hold liabilities of the business broken down into short term (due within one year) and long term. The differences between assets and liabilities of the business will be the equity that the shareholders hold in the business. A balance sheet always balances using this formula "Assets=Liabilities + Equity."

From the balance sheet and income statement you begin to get a feel for the financial health of your farm. For instance, if you look at current assets divided by current liabilities you see how much of your available cash, inventory and accounts receivable are going to be consumed in paying off the next years liabilities. Taking the total liability value and dividing by total assets gives an indication of the financial risk there is to the operation. There are many more ratios to consider in analyzing financial statements that can be mentioned here. It is very interesting to compare your numbers with industry benchmarks. Caution needs to be used in making decisions based on only one or two ratios. Perhaps the most powerful message comes from comparing the last few years to this year. This will point out trends that are developing. Is the farms liquidity, solvency and profitability becoming stronger or weaker?

Wheatland is excited to be offering a workshop January 15th in Fillmore on the very subject of "Understanding Financial Statements." We will take you through the components of financial statements and the valuable information that lies in them.

Please visit our website for more details!

Changes to Wheatland's Billing Procedure

Wheatland constantly strives to meet and exceed your expectations and keep abreast with changes occurring in your industry and ours! Just around the corner you will find some major changes with the manner we do business with you!

- Would you like to know in advance what your invoice is going to be for our services?
- What if you could have a flexible payment plan to suit your situation
- How about fewer invoices throughout the year?
- Wouldn't it be nice to have unlimited access to our office for questions throughout the year included in our service price?
- All the above complete with quality service guarantee!

Well this and more is what we are working towards. Over the next few months we will be in touch with you with more details. In the mean time, we appreciate your comments and suggestions regarding innovative ways that we can provide better service to you!