



Government of  
Saskatchewan

# Annual Report 2003-2004

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## Agricultural Implements Board

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# Letter of Transmittal



To Her Honour  
The Honourable Lynda Haverstock  
Lieutenant Governor of the Province of Saskatchewan

Madam:

I have the honour to present the Annual Report of the  
Agricultural Implements Board for the fiscal year ended March 31,  
2004.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mark Wartman".

Mark Wartman  
Minister of Agriculture and Food

# Agricultural Implements Board 2003/2004 Annual Report

The Agricultural Implements Act provides protection to farmers who buy or own agricultural implements. The Act requires that farm equipment dealers and manufacturers maintain minimum levels of warranty, repair and parts delivery services. Farmers may apply to the Agricultural Implements Board for compensation if they feel they have incurred a loss due to an unreasonable delay or availability of farm equipment parts.

The Board has been appointed for a two-year term effective May 13, 2003.

The Board currently consists of five members:

- Norm Overland, Chair (Farmer member)
- Allan Smith, Vice-Chair, Canada West Equipment Dealers Association (Industry member)
- Doug Slough (Farmer member)
- Robin Fenell (Farmer member)
- Loren Katzenberger, Prairie Implement Manufacturers Association (Industry member)

## 2003

The Agricultural Implements Act was amended (Bill #09) in the Spring of 2003. The Act was updated to reflect the current market in agricultural implements; maintain and improve protection for farmers; balance the rights and responsibilities between farmers, dealers and manufacturers; and harmonize key provisions with the legislation in Manitoba and Alberta.

## Program Statistics:

	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04
# of dealers	520	525	N/A	470	473	429	433	401
# of distributors	111	112	N/A	114	122	119	133	107
# of manufacturers	N/A	N/A	N/A	223	242	228	217	226
# of hearings	3	2	N/A	0	1	1	1	0

N/A : Not Available

## Accomplishments:

- Spring 2003-(Bill #09) was introduced and passed by the legislature.
- Effective September 15, 2003, the Agricultural Implements Ammendments Act was proclaimed. The Agricultural Implements Ammendment Regulations, 2003 came into effect at the same time.
- Amendments to The Agricultural Implements Act and Regulations therein are now posted on SAFRR's Web site. The Act and Regulations are posted on the Freelaw Queen's Printer Web site.
- Many of the forms can now be downloaded from Saskatchewan Agriculture, Food and Rural Revitalization's Web site.

## Critical Dates for 2003-2004:

- Farm implement dealers and distributors are required to renew licenses and registration by March 31 of each year.

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## Management's Responsibility for the Financial Statements

The accompanying financial statements of the Agricultural Implements Board have been prepared by management in accordance with generally accepted accounting principles, using management's best estimates and judgements where appropriate.

The Fund's management is responsible for the reliability and integrity of these financial statements and other information in this Annual Report. Financial information in the Annual Report is consistent with that provided in these financial statements.

In discharging its responsibility for the reliability and integrity of these financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

The Provincial Auditor Saskatchewan has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.



Don Brooks

Agricultural Implements Board Secretary



Laurier Donais

Senior Manager, Financial Systems

April, 2004



## Provincial Auditor Saskatchewan

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SASKATCHEWAN

### AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Agricultural Implements Board as at March 31, 2004 and the statements of operations and net financial assets, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance 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.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan  
April 21, 2004

Fred Wendel, CMA, CA  
Provincial Auditor

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# Financial Statements

## Statement 1

### Agricultural Implements Board Statement of Financial Position As at March 31

	<u>2004</u>	<u>2003</u>
<b>Assets</b>		
Due from General Revenue Fund (Note 3)	\$ 159,595	\$ 152,528
Accrued interest receivable	<u>953</u>	<u>1,021</u>
	<u>\$ 160,548</u>	<u>\$ 153,549</u>
<b>Liabilities and Net Financial Assets</b>		
Liabilities:		
Deferred revenue	2,225	2,250
Net financial assets (Statement 2)	<u>158,323</u>	<u>151,299</u>
	<u>\$ 160,548</u>	<u>\$ 153,549</u>

(See accompanying notes to the financial statements)

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**Statement 2**

**Agricultural Implements Board  
Statement of Operations and Net Financial Assets  
For the Year Ended March 31**

	<u>2004</u>	<u>2003</u>
<b>Revenue:</b>		
Assessment levies	\$ 2,675	\$ 2,925
Interest income	<u>4,349</u>	<u>3,912</u>
	<u>7,024</u>	<u>6,837</u>
<b>Expenditure:</b>		
Compensation payments	<u>---</u>	<u>---</u>
Surplus for the year	7,024	6,837
Net financial assets, beginning of year	<u>151,299</u>	<u>144,462</u>
Net financial assets, end of year - to Statement 1	<u>\$ 158,323</u>	<u>\$ 151,299</u>

(See accompanying notes to the financial statements)



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**Statement 3**

**Agricultural Implements Board  
Statement of Cash Flows  
For the Year Ended March 31**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities:</b>		
Cash receipts from distributors	\$ 2,650	\$ 3,025
Cash paid to claimants and employees	---	(5,000)
Interest received	<u>4,417</u>	<u>3,629</u>
<b>Net increase in cash position</b>	7,067	1,654
<b>Due from General Revenue Fund, beginning of year</b>	<u>152,528</u>	<u>150,874</u>
<b>Due from General Revenue Fund, end of year</b>	<u>\$ 159,595</u>	<u>\$ 152,528</u>

(See accompanying notes to the financial statements)

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## **Agricultural Implements Board – Notes to the Financial Statements**

**March 31, 2004**

### **1. Significant Accounting Policies**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting policies are considered significant.

- a) Revenue  
Assessment levies are assessed annually; any that are received in advance are recorded as deferred revenue.

### **2. Authority**

The Agricultural Implements Board is continued under The Agricultural Implements Act. Under this Act, a fund known as the Agricultural Implements Compensation Fund, through which all transactions reflected in these statements are conducted, is continued:

- a) to pay compensation to farmers;
- b) to defray the expenses of investigating and hearing claims for compensation under this Act; and
- c) to maintain a reserve fund to pay compensation that may become payable in the future.

### **3. Due from General Revenue Fund**

The Agricultural Implements Board's bank account is included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis using the Government's 30-day borrowing rate (2004 average rate 2.79%; 2003 average rate 2.62%) and the Agricultural Implements Board's average daily bank account balance.

### **4. Related Parties Transactions**

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan.

Salary and administration costs other than those in respect of investigations and hearings have been absorbed by various departmental appropriations and are therefore not reflected in these financial statements.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes hereto.

### **5. Financial Instruments**

- a) Accrued Interest Receivable  
The carrying value of accrued interest receivable approximates fair value.
- b) Due from General Revenue Fund

The amount due from the General Revenue Fund is interest bearing as described in Note 3. The carrying value approximates fair value.



Norman Overland, Chairman  
Agricultural Implements Board





**Government of  
Saskatchewan**

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