



The Nova Scotia Crop and Livestock Insurance Commission

2018-19 ANNUAL REPORT



 **CANADIAN
AGRICULTURAL
PARTNERSHIP**

 **NOVA SCOTIA**

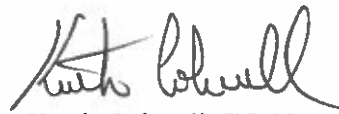
Canada 

His Honour
The Honourable Arthur J. LeBlanc, ONS, QC
Lieutenant-Governor of Nova Scotia

Dear Sir:

I have the honour to transmit herewith the Annual Report of the Nova Scotia Crop and Livestock Insurance Commission for the year ended March 31, 2019.

I am, Your Honour
Yours very truly,

A handwritten signature in black ink, appearing to read "Keith Colwell". The signature is fluid and cursive, with the first name "Keith" written in a larger, more prominent script than the last name "Colwell".

Keith Colwell, ECNS
Minister of Agriculture

The Honourable Keith Colwell
Minister of Agriculture

Dear Sir:

We have the honour to herewith submit the fiftieth Annual Report of the Nova Scotia Crop and Livestock Insurance Commission for the fiscal year ending March 31, 2019. Included in this report is a summary of operations, the audited financial statements, and statistical information for the programs under the authority of the Commission.

Respectfully submitted,
Nova Scotia Crop and Livestock
Insurance Commission


Avaril Bentley
Chair

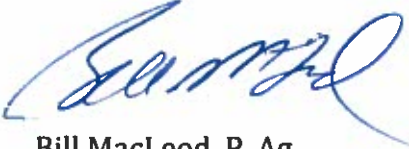

Bill MacLeod, P. Ag.
CEO

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Fifty Years of Crop Insurance in Nova Scotia 1968-2018

Fifty years ago, on April 11, 1968 the Nova Scotia Crop Insurance Act was proclaimed. In September of that year, S.E. Lewis was appointed by Governor in Council as the first Chairman. He was joined by J.D. Johnson (Vice Chairman), R.S. Taylor, W.J. Gibbard, R.E. Newcombe, and A.G. LeLacheur. The Commission's first meeting was on October 22, 1968 and they quickly set to work implementing a Crop Insurance Program for Nova Scotia. In his opening remarks, Chairman Lewis expressed gratitude to the members of the Commission for their willingness to serve in setting up a modern and worthwhile tool to progressive agriculture in Nova Scotia.

The first insurance plan developed was the Spring Grain Plan. This plan covered oats, barley, wheat and mixed grain and was made available in the Spring of 1969. The plan had 277 growers its first year insuring 10,126.6 acres. Total premiums were \$15,157.96. There were 18 claims in the first year totaling \$8,043.41. A Winter Grain Plan soon followed in the fall of 1969 with 25 growers insuring 725.85 acres. A Tree Fruit Plan was also developed that Fall and offered to growers in February 1970. Forty tree fruit growers bought coverage for 2,033.5 acres the first year it was offered.

Fifty years later, these inaugural insurance plans are still offered by the Commission. Additional Crop Insurance Plans have been added, as well as Canada's first Dairy Livestock Insurance Plan and a Poultry Insurance Plan.

Today, the Commission is proud to offer 16 Crop Insurance Plans covering 59 different crops, a Dairy Insurance Plan and a Poultry Insurance Plan. The Commission also offers a Wildlife Compensation Program. Collectively, these insurance plans provide insurance coverage of over 191 million dollars protecting the Nova Scotia agricultural industry from the risk of production losses caused by naturally occurring perils such as adverse weather, insects, disease and wildlife.

While Nova Scotia's Crop Insurance Program has grown and changed over 50 years, the fundamental principles and design of the program have remained relatively constant and are a true testament to the vision and dedication of the first members of the Commission and the 40 industry leaders who have served the Commission from 1968 to present.

COMMISSION CHAIRPERSONS

| | | |
|--------------------|------------------|--------------------------------------------------------------|
| * 1 st | S.E. Lewis | former Deputy Minister of Agriculture & Marketing (deceased) |
| 2 nd | H.B. Fuller | Horton, Kings County |
| 3 rd | L.C.H. Vissers | East Stewiacke, Colchester County (deceased) |
| 4 th | P.A. van Oostrum | Canard, Kings County |
| 5 th | J. Forbes | St. Andrews, Antigonish County (deceased) |
| ** 6 th | A. Bentley | Westchester, Cumberland County |

The following have served as members of the Commission:

| | | |
|----|----------------|-------------------------------------------------------|
| * | A.G. LeLacheur | Agriculture Canada (deceased) |
| * | R. Raylor | Berwick, Kings County (deceased) |
| * | W.J. Gibbard | Tatamagouche, Colchester County (deceased) |
| * | R. Newcombe | Port Williams, Kings County |
| * | J.D. Johnson | Department of Agriculture and Marketing |
| | E. Reynolds | Falmouth, Hants County (deceased) |
| | G. Brown | Wallace Bay, Cumberland County |
| | G. Coldwell | Port Williams, Kings County |
| | L. Hayman | Tatamagouche, Colchester County |
| | D. Salt | Wallace, Cumberland County |
| | W. McCurdy | Old Barns, Colchester County |
| | D. Dickinson | West Brook, Cumberland County |
| | L. Palmer | Morristown, Kings County |
| | W. Dykstna | Scotsburn, Pictou County |
| | W. Swetnam | Sheffield Mills, Kings County (deceased) |
| | D. Gunn, Jr. | Scotsburn, Pictou County |
| | J. Goit | Department of Agriculture and Marketing |
| | G. Densmore | Brookfield, Colchester County (deceased) |
| | C. Eaton | Canard, Kings County |
| | G. Parker | Waterville, Kings County |
| | T. Fullerton | Harrison Settlement, Cumberland County |
| | D. Sangster | Department of Agriculture and Marketing |
| | W. Purdy | Collingwood, Cumberland County |
| | M. Johnson | Department of Agriculture and Fisheries |
| ** | R.M. Walsh | Berwick, Kings County |
| | P. Stead | Truro, Colchester County (deceased) |
| | J. Baillie | Tatamagouche, Colchester County |
| | G.C. Smith | Department of Agriculture/Saltsprings, Pictou County |
| | A.A. Pick | Department of Agriculture/Center Rawdon, Hants County |
| ** | J. Vissers | MacKay Siding, Colchester County |
| ** | R.K. Prange | Wolfville, Kings County |
| ** | D. Davison | Falmouth, Hants County |
| ** | R. Grant | Department of Agriculture/Rawdon, Hants County |

* **First members of the Commission**

** **Current Members of the Commission**

COMMISSION MANAGERS

| | |
|----------------|----------------|
| Donald MacNeil | 1969 – 1991 |
| Brian Mahoney | 1991 – 1998 |
| Gerald Post | 1998 – 2007 |
| Bill MacLeod | 2007 – Present |

2019-20 COMMISSION OFFICERS

BOARD OF DIRECTORS:

| | | |
|-----------------------------------------------------|----------------------------------------------------|---------------------------------------|
| Avard Bentley, Chair Westchester, Cumberland Co. | Ruth Grant, Vice Chair Centre Rawdon, Hants Co. | Robert Prange Wolfville, Kings Co. |
| John Vissers MacKay Siding, Colchester Co. | R. Michael Walsh Berwick, Kings Co. | Danny Davison Falmouth, Hants Co. |

PRINCIPAL OFFICERS:

| | |
|------------------------------------|----------------------------------------|
| B. MacLeod | – CEO |
| M. Grant/J. Putnam | – Secretary |
| H.D. Black | – Finance Officer |
| K.S. MacDonald | – Clerk |
| G.D. Macintosh | – Supervisor, Field Services |
| G. Thyssen & A. Parsons-Lushington | – Acting Supervisor, Field Services |
| A. Parsons-Lushington | – Research and Development Coordinator |
| D. Thibodeau | – Business Systems Analyst |

AUDITOR:

Grant Thornton

SOLICITORS:

C. Thompson

FIELD STAFF:

A. Garnett
J.M. Peill
G. Thyssen

PROGRAM BACKGROUND

The Nova Scotia Crop Insurance Act, which was assented to in 1968 and amended in 1978, 2005 and in 2010, to provide for the administration of the Livestock Insurance program, is cited as the Crop and Livestock Insurance Act.

Under the Crop and Livestock Insurance Act, the Commission is responsible to administer the program under the direction, supervision, and control of the Minister of Agriculture.

The Commission administers crop insurance coverage to 16 crop insurance plans and a dairy and poultry livestock insurance program.

Since 2008 the Commission has administered the Canada/Nova Scotia Wildlife Compensation Program.

OBJECTIVES AND RESPONSIBILITIES

The fundamental objective of the Crop and Livestock Insurance Commission is to make available to Nova Scotia farmers insurance-based programs that will assist in years of reduced yields, lower revenue, and losses due to insurable perils.

In the interest of efficiency of operations and convenience to farmers, the programs are administered by a common staff, but each program stands on its own. Separate accounting for premium and indemnities is maintained for each program. Administration expenses are proportioned to each program.

FINANCIAL PARTICIPATION

The administration of the Crop and Livestock Insurance program is the responsibility of the Commission. It is subject to the provisions under the Canadian Agricultural Partnership (CAP), a Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy. Crop and Livestock Insurance, in Nova Scotia, is delivered under the authority of the Crop and Livestock Insurance Act.

The governments of Nova Scotia and Canada each contribute a percentage of administration expenses for crop insurance and wildlife compensation. Administration expenses for other programs administered by the Commission are the responsibility of the Province.

For 2018-19, the government of Nova Scotia contributed approximately 40 per cent of the total administration costs, 24 per cent of the crop insurance premium and 40 percent of wildlife compensation payments. The Government of Canada contributed 60 per cent of the total administration costs and 36 per cent of the premium for crop insurance programs and 60 percent of wildlife compensation payments.

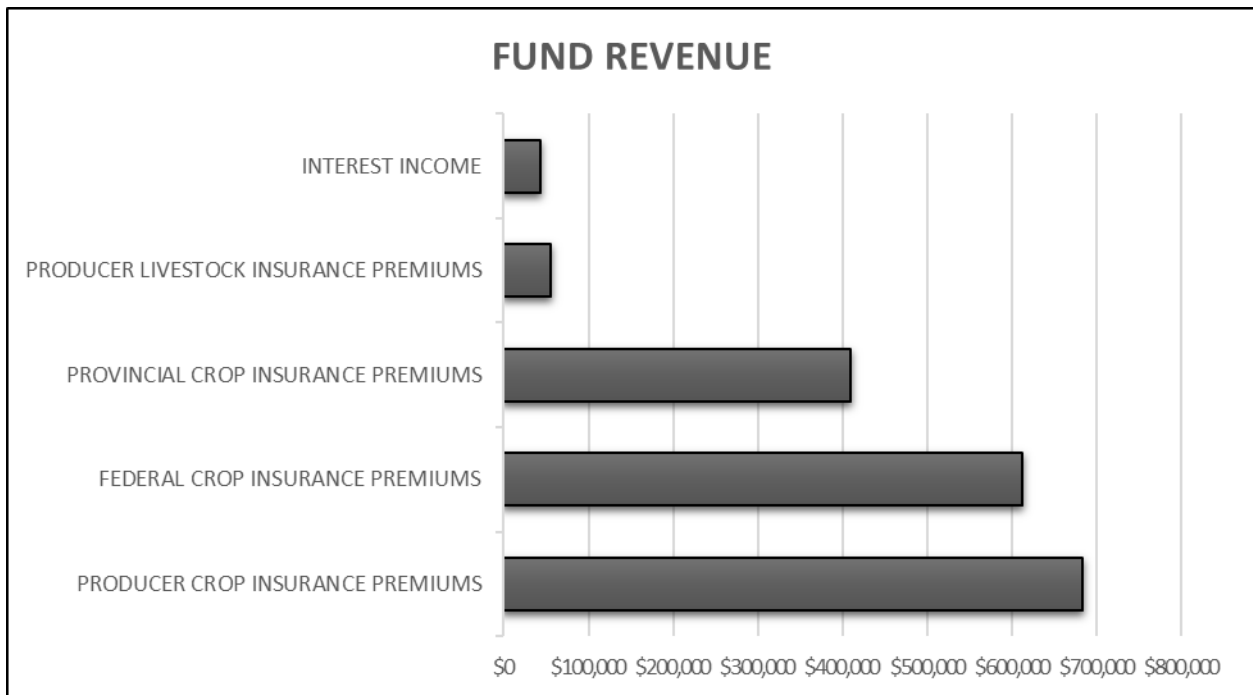


Fig.1: Total fund revenue for Nova Scotia Crop and Livestock Insurance Commission for 2018-19

INSURANCE PLANS IN FORCE

- | | |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Spring Grain | - oats, barley, wheat |
| Winter Grain | - rye, wheat, triticale |
| Tree Fruit | - apples, pears, peaches |
| Tree Insurance | - apples, pears |
| Corn | - silage, grain, high moisture |
| Blueberries | - lowbush and highbush blueberries |
| Strawberries | - June Bearing, Day Neutral |
| Raspberries | - |
| Forage | - establishment year |
| Soybeans | - soybeans, canola, sunflowers |
| Potatoes | - processing, seed, table |
| Vegetables | - processing carrots |
| Weather Derivative | - forage |
| Maple | - syrup |
| Grapes | - French hybrid, Vinifera, Labrusca |
| Acreage Loss (Vegetables) | - Beets, carrots, green onions, parsnips, radish, rutabaga, summer turnip, onions (yellow & red), broccoli, brussels sprouts, cabbage, cauliflower, celery, kale, lettuce, spinach, eggplant, field cucumbers, field tomatoes, melons, peppers, pumpkins, summer squash, zucchini, winter squash, fresh beans |
| Dairy | - dairy cows, heifers and calves; loss of income benefit |
| Poultry | - broilers, pullets, layers, breeders |



Fig. 2: Nova Scotia Crop and Livestock Insurance Commission contracts (2009-2019).

FEATURES OF THE CROP INSURANCE PLANS

Designated Perils

The crop insurance plans protect against loss caused by drought, frost, hail, wind, excessive moisture, insect infestation, plant disease, wildlife, winter injury, unavoidable pollination failure, and off-crop due to adverse weather conditions.

Type of Insurance

For yield based plans, each insured crop is guaranteed a specific yield based upon the past yield records of each insured client. When no past records are available, a bench mark, either provincial or industry averages, is used.

For non-yield based plans (weather) the guarantee is based on other specific measurables such as total precipitation (or lack of) for a specified area which is known to result in a loss of crop production or quality. The acreage loss plan for vegetables provides a production guarantee based on the cost of producing an acre of crop.

Quality Guarantee

Quality losses are taken into consideration with certain plans such as tree fruit, corn, spring and winter grain, as well as weather.

Premium Discount/Surcharge

The base premium rate for all insurance plans, with the exception of forage, tree endorsement, and poultry, is adjusted by giving a discount when indemnities paid are less than premium collected or by adding a surcharge when indemnities paid exceed premium collected. The maximum discount shall be 50% and the maximum surcharge shall be 100%.

Other Programs:

The Nova Scotia Crop and Livestock Insurance Commission administers a compensation program to Nova Scotia farmers for losses to specified crops or livestock as a direct result of the activities of specified wildlife. There is no requirement for producers to be enrolled in Crop Insurance to obtain a compensation payment. Claimants must be registered under the Nova Scotia Farm Registration System. The Province of Nova Scotia and the Government of Canada contribute 40% and 60% respectively for the cost for administration and compensation payments.

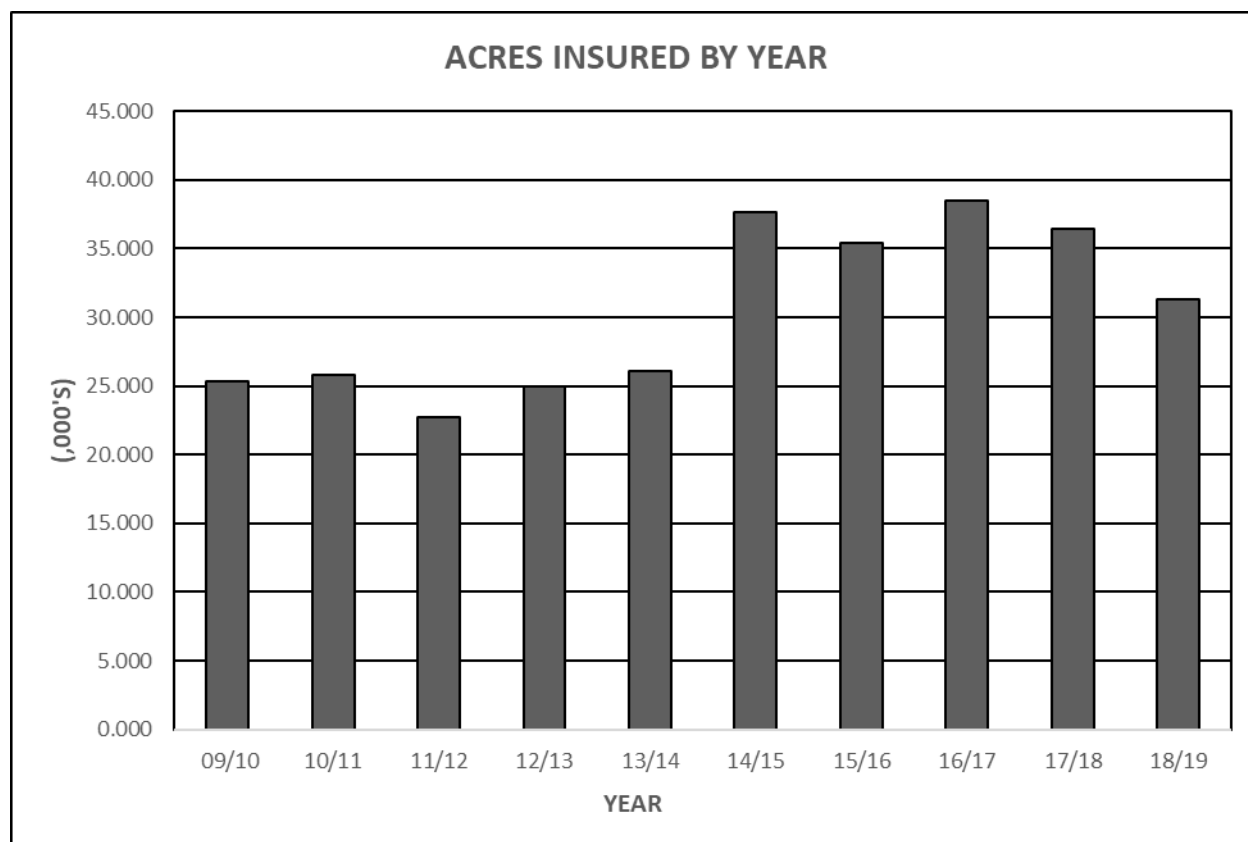


Fig.3: Number of acres insured by Nova Scotia Crop and Livestock Insurance Commission (2009-2019)

Table 1: *Annual statistical summaries of insurance plans (2018-19)**

| PLAN | NO. GROWERS | NO. ACRES | TOTAL COVERAGE (\$) | TOTAL PREMIUM (\$) | TOTAL INDEMNITIES (\$) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------|-----------------------|---------------------|------------------------|
| Spring Grain | 24 | 1,430.32 | 195,005.87 | 26,433.79 | 3,917.07 |
| Tree Fruit | 89 | 2,699.40 | 34,140,796.19 | 1,012,697.69 | 5,924,122.97 |
| Forage Est. 2015 | 2 | 57 | 17,100.00 | 1,175.63 | 0 |
| Corn | 55 | 7,999.32 | 3,846,512.92 | 126,775.95 | 55,080.53 |
| Blueberries | 82 | 4,382.07 | 3,821,653.09 | 176,164.09 | 253,523.06 |
| Strawberries | 1 | 15 | 122,256.00 | 19,891.05 | 48,742.00 |
| *Winter Grain 2018 | 11 | 797.76 | 267,916.98 | 28,786.48 | 6,911.32 |
| Potato | 1 | 137 | 91,402.00 | 9,048.80 | 24,740.92 |
| Vegetables | 1 | 38 | 54,588.52 | 3,520.96 | 16,849.00 |
| Soybeans | 27 | 3,339.90 | 1,327,312.26 | 55,124.85 | 67,838.36 |
| Acreage Loss | 7 | 450.80 | 1,053,025.00 | 96,890.73 | 43,555.05 |
| Grapes | 9 | 133.91 | 269,029.74 | 23,296.53 | 73,934.70 |
| Weather Derivative | 24 | 9,854.28 | 2,785,144.64 | 113,423.37 | 0.00 |
| Maple | 7 | **143,650.00 | 284,430.00 | 20,502.89 | 0.00 |
| Crop Summary | 340 | 31,334.76 | 48,276,173.21 | 1,713,732.81 | 6,519,214.98 |
| | Herds | Animals/Birds | | | |
| Loss Income (Dairy) | 0 | 0 | | | 0.00 |
| Livestock (Dairy) | 87 | 15,800 | 36,269,641.46 | 31,126.34 | 110,990.72 |
| Poultry | 134 | 51,081,234.00 | 103,158,054.74 | 23,394.48 | 23,394.48 |
| Totals | | | 187,703,869.41 | 1,768,253.63 | 1,892,222.93 |
| <p>*Winter grain claims reflect crop year 2018. **Number of taps (not included in the number of acres). ***Statement summary may differ from those ~ the financial statements due to year end actuarial processes.</p> | | | | | |

Table 2: Summary of crop insurance plans (1969-70 to 2018-19 crop year inclusive)

| PLAN | NO. YEARS | NO. CLAIMS | TOTAL PREMIUM | CLAIMS PAID | LOSS RATIO |
|--------------------|-----------|-------------|-------------------------|-------------------------|-------------|
| Spring Grain | 50 | 1837 | \$ 1,915,175.48 | \$ 2,083,179.44 | 1.09 |
| Winter Grain | 49 | 419 | \$ 986,048.07 | \$ 1,008,941.55 | 1.02 |
| Tree Fruit | 49 | 759 | \$ 11,462,674.35 | \$ 17,787,062.85 | 1.55 |
| Tree Rider | 34 | 32 | \$ 507,653.35 | \$ 258,951.27 | 0.51 |
| Tobacco | 25 | 21 | \$ 767,809.39 | \$ 561,296.33 | 0.73 |
| Corn | 48 | 694 | \$ 3,470,772.52 | \$ 2,305,738.85 | 0.66 |
| Peas & Beans | 32 | 629 | \$ 3,140,338.94 | \$ 3,315,484.65 | 1.06 |
| Blueberries | 46 | 1437 | \$ 9,380,343.49 | \$ 9,880,406.59 | 1.05 |
| Strawberries | 45 | 138 | \$ 503,955.53 | \$ 747,472.32 | 1.48 |
| Forage Est. | 41 | 156 | \$ 110,464.42 | \$ 97,548.62 | 0.88 |
| Soybeans | 33 | 133 | \$ 828,141.63 | \$ 612,726.89 | 0.74 |
| Potatoes | 29 | 41 | \$ 1,338,120.76 | \$ 2,282,301.36 | 1.71 |
| Raspberries | 6 | 4 | \$ 1,429.44 | \$ 3,216.60 | 2.25 |
| Forage Prod. | 3 | 1 | \$ 16,983.20 | \$ 4,551.38 | 0.27 |
| Vegetables | 19 | 64 | \$ 1,652,855.48 | \$ 2,619,749.49 | 1.58 |
| Weather Derivative | 12 | 100 | \$ 1,533,161.52 | \$ 1,299,427.57 | 0.85 |
| Maple | 9 | 11 | \$ 200,895.96 | \$ 256,827.00 | 1.28 |
| Acreage Loss | 3 | 25 | \$ 316,407.48 | \$ 278,406.70 | 0.88 |
| Grape | 3 | 5 | \$ 63,175.98 | \$ 73,934.70 | 1.17 |
| TOTAL | | 6506 | \$ 38,196,406.99 | \$ 45,477,224.16 | 1.19 |

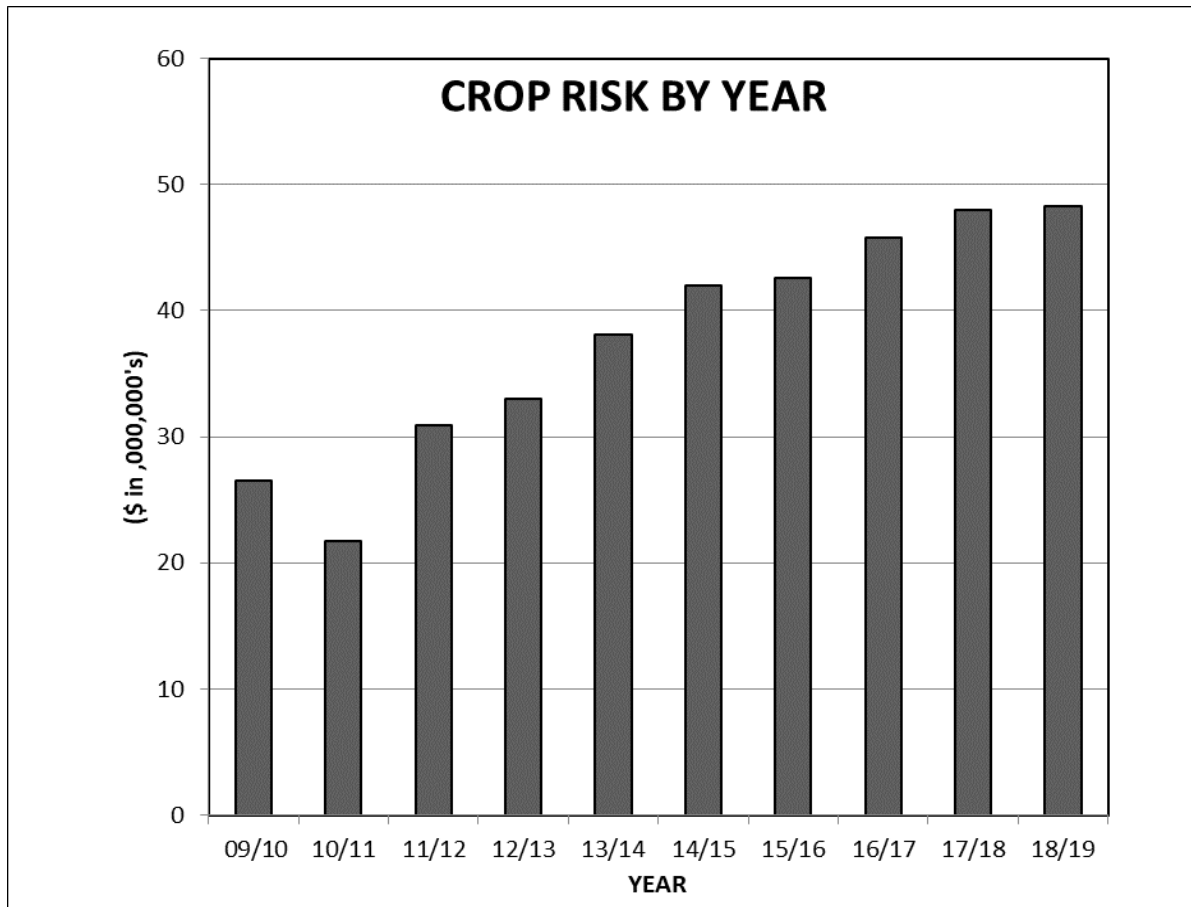


Fig 4: The value of crop risk by year (2009-2019)

Table 3: Operations summary of crop insurance years (1969-70 to 2018-19 crop years inclusive)

| CROP YEARS | NO. CONTRACTS | TOTAL COVERAGE | TOTAL PREMIUM | CLAIMS PAID | LOSS RATIO |
|-------------------|----------------------|-----------------------|----------------------|----------------------|-------------------|
| 1969-1970 | 277 | 310,831.53 | 15,157.96 | 8,043.41 | 0.53 |
| 1970-1971 | 345 | 823,244.95 | 31,954.54 | 35,304.14 | 1.10 |
| 1971-1972 | 364 | 777,955.53 | 32,884.51 | 50,406.29 | 1.53 |
| 1972-1973 | 386 | 1,553,341.41 | 77,955.05 | 78,023.10 | 1.00 |
| 1973-1974 | 492 | 1,762,978.44 | 96,519.82 | 252,505.26 | 2.62 |
| 1974-1975 | 565 | 2,030,120.33 | 164,694.03 | 232,358.15 | 1.41 |
| 1975-1976 | 568 | 2,274,900.30 | 198,451.73 | 169,900.31 | 0.86 |
| 1976-1977 | 602 | 2,751,869.76 | 220,219.10 | 90,559.13 | 0.41 |
| 1977-1978 | 770 | 3,381,581.47 | 251,407.28 | 253,696.31 | 1.01 |
| 1978-1979 | 781 | 3,730,752.45 | 284,334.24 | 131,548.18 | 0.46 |
| 1979-1980 | 695 | 3,994,307.91 | 296,406.94 | 300,974.95 | 1.02 |
| 1980-1981 | 666 | 4,228,150.76 | 295,329.10 | 196,488.55 | 0.67 |
| 1981-1982 | 752 | 5,854,042.18 | 401,609.14 | 219,338.95 | 0.55 |
| 1982-1983 | 760 | 6,618,768.79 | 449,727.96 | 123,888.71 | 0.28 |
| 1983-1984 | 775 | 7,103,107.33 | 444,870.21 | 442,181.20 | 0.99 |
| 1984-1985 | 740 | 8,842,444.23 | 447,720.90 | 132,831.31 | 0.30 |
| 1985-1986 | 730 | 10,270,802.44 | 453,493.02 | 503,450.98 | 1.11 |
| 1986-1987 | 730 | 10,403,518.12 | 498,145.77 | 1,391,264.35 | 2.79 |
| 1987-1988 | 597 | 10,361,043.62 | 537,153.84 | 158,436.63 | 0.29 |
| 1988-1989 | 532 | 10,327,601.34 | 536,984.92 | 100,853.06 | 0.19 |
| 1989-1990 | 604 | 10,790,684.96 | 545,818.31 | 879,678.97 | 1.61 |
| 1990-1991 | 568 | 10,304,249.40 | 574,316.40 | 357,824.57 | 0.62 |
| 1991-1992 | 544 | 12,184,356.19 | 634,945.12 | 1,411,800.88 | 2.22 |
| 1992-1993 | 624 | 10,904,552.94 | 657,657.87 | 200,655.25 | 0.31 |
| 1993-1994 | 577 | 11,409,076.02 | 623,830.52 | 927,816.14 | 1.49 |
| 1994-1995 | 568 | 11,164,842.39 | 577,366.31 | 535,838.81 | 0.93 |
| 1995-1996 | 580 | 11,321,945.62 | 546,030.04 | 326,525.71 | 0.60 |
| 1996-1997 | 553 | 11,181,624.19 | 572,589.79 | 466,881.74 | 0.82 |
| 1997-1998 | 600 | 11,842,296.94 | 587,480.80 | 772,721.07 | 1.32 |
| 1998-1999 | 563 | 13,583,764.80 | 645,583.16 | 933,129.48 | 1.45 |
| 1999-2000 | 540 | 12,136,267.30 | 639,559.88 | 797,459.04 | 1.25 |
| 2000-2001 | 552 | 14,310,381.33 | 674,353.56 | 284,246.26 | 0.42 |
| 2001-2002 | 532 | 14,805,607.02 | 660,808.39 | 914,843.99 | 1.38 |
| 2002-2003 | 532 | 16,347,492.87 | 818,650.80 | 364,453.37 | 0.45 |
| 2003-2004 | 532 | 16,193,016.04 | 833,525.55 | 827,584.94 | 0.99 |
| 2004-2005 | 496 | 16,161,000.34 | 749,438.21 | 486,826.86 | 0.65 |
| 2005-2006 | 526 | 16,845,536.59 | 790,475.19 | 1,107,701.83 | 1.40 |
| 2006-2007 | 525 | 22,466,132.67 | 860,560.79 | 1,656,030.07 | 1.92 |
| 2007-2008 | 522 | 27,188,516.06 | 1,233,419.20 | 2,030,822.80 | 1.65 |
| 2008-2009 | 504 | 30,332,865.07 | 1,445,680.16 | 1,620,386.29 | 1.12 |
| 2009-2010 | 574 | 33,352,632.88 | 1,793,088.60 | 2,654,096.74 | 1.48 |
| 2010-2011 | 501 | 21,661,518.92 | 1,453,641.52 | 1,517,820.84 | 1.04 |
| 2011-2012 | 446 | 30,958,118.69 | 1,541,396.80 | 2,410,913.00 | 1.56 |
| 2012-2013 | 438 | 33,018,952.19 | 1,858,435.46 | 1,283,964.39 | 0.69 |
| 2013-2014 | 463 | 38,020,988.84 | 1,848,256.31 | 2,361,656.41 | 1.28 |
| 2014-2015 | 452 | 41,979,917.41 | 1,901,707.33 | 1,649,505.05 | 0.87 |
| 2015-2016 | 435 | 42,609,886.54 | 1,872,385.59 | 2,064,587.77 | 1.10 |
| 2016-2017 | 438 | 45,798,069.07 | 1,937,840.80 | 1,381,626.91 | 0.71 |
| 2017-2018 | 392 | 47,957,021.67 | 1,868,811.66 | 1,858,557.03 | 0.99 |
| 2018-19 | 340 | 48,276,173.21 | 1,713,732.81 | 6,519,214.98 | 3.80 |
| TOTAL | | 782,508,851.05 | 38,196,406.99 | 45,477,224.16 | 1.19 |

Since the program's implementation in 1969, for every dollar collected in premium **\$1.19** has been paid out in claims.

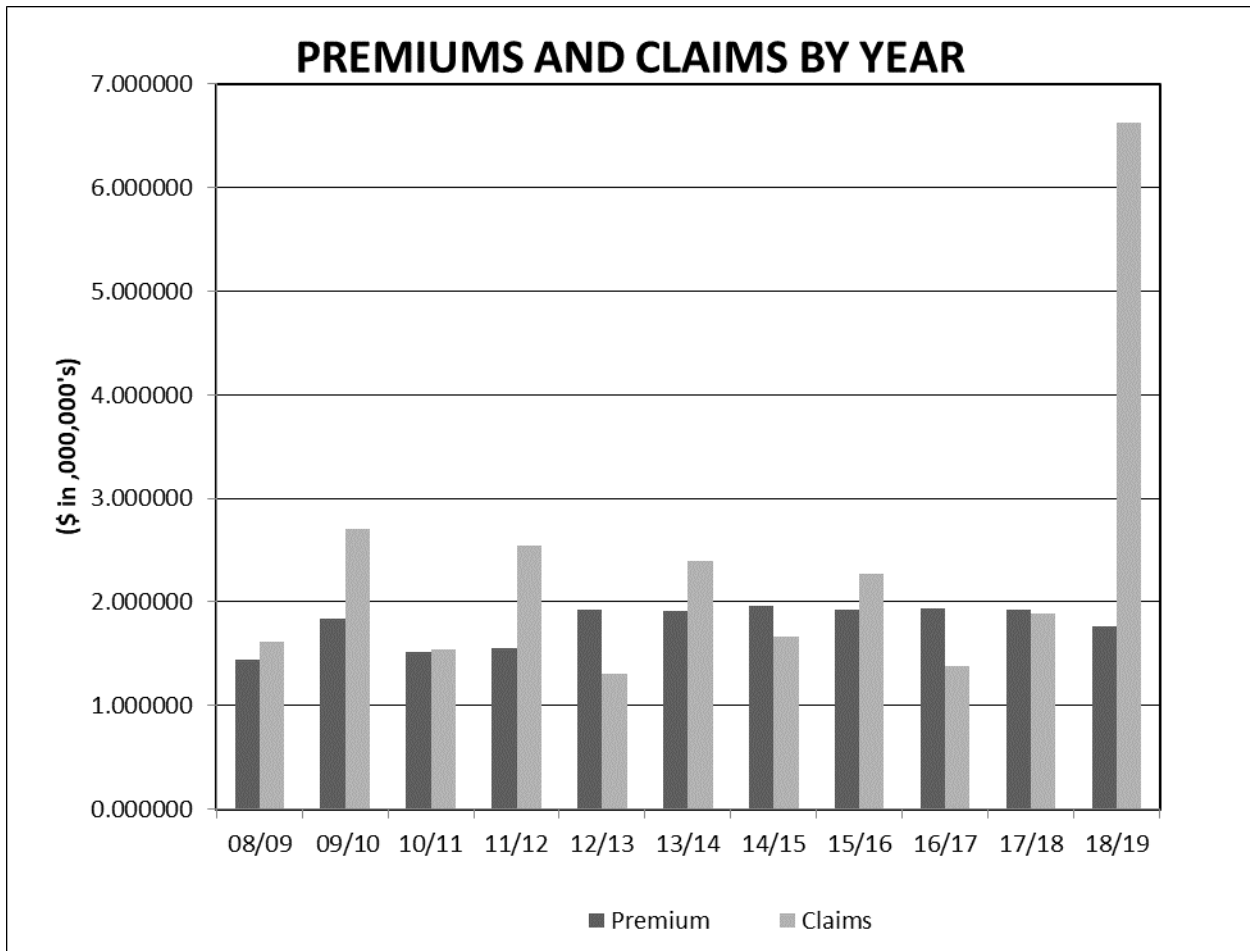


Fig. 5: Amount of crop premiums received and claims paid out annually (2008-2019)

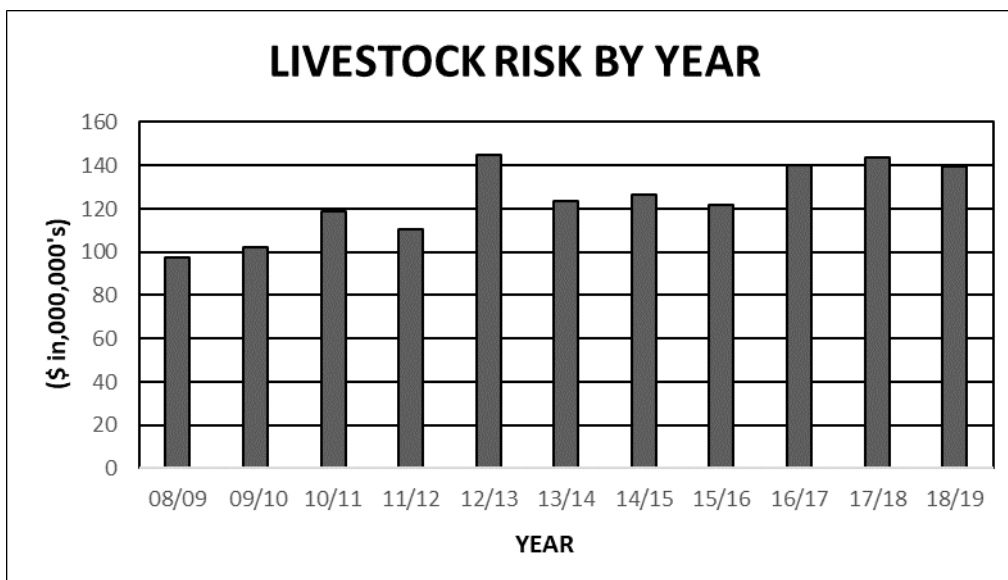


Fig 6: Value of livestock risk per year (2008-19)

Table 4: Summary of dairy livestock insurance plan (April 1st, 1978-March 31st, 2019)

| YEARS | NO. INSURED HERDS | INSURED ANIMALS | TOTAL PREMIUM | CLAIMS PAID | LOSS RATIO |
|---------------|--------------------------|------------------------|------------------------|------------------------|-------------------|
| 2018-2019 | 87 | 15,800 | 31,126.34 | 110,990.72 | 3.57 |
| 2017-2018 | 92 | 15,567 | 32,257.99 | 33,665.90 | 1.04 |
| 2016-2017 | 95 | 15,334 | 32,399.51 | 12,000.00 | 0.37 |
| 2015-2016 | 95 | 15,644 | 33,413.53 | 205,109.28 | 6.14 |
| 2014-2015 | 102 | 15,860 | 32,719.59 | 15,400.00 | 0.47 |
| 2013-2014 | 105 | 16,131 | 33,134.19 | 33,000.00 | 1.00 |
| 2012-2013 | 115 | 21,570 | 40,732.89 | 24,600.00 | 0.60 |
| 2011-2012 | 105 | 16,579 | 27,710.12 | 139,426.40 | 5.03 |
| 2010-2011 | 115 | 17,782 | 33,048.94 | 28,400.00 | 0.86 |
| 2009-2010 | 116 | 17,701 | 32,090.80 | 55,600.00 | 1.73 |
| 2008-2009 | 122 | 17,934 | 31,403.59 | 32,600.00 | 1.04 |
| 2007-2008 | 128 | 18,163 | 30,051.17 | 174,473.03 | 5.81 |
| 2006-2007 | 131 | 17,790 | 28,564.70 | 17,000.00 | 0.60 |
| 2005-2006 | 140 | 18,670 | 30,530.51 | 10,800.00 | 0.35 |
| 2004-2005 | 148 | 19,807 | 33,767.77 | 4,000.00 | 0.12 |
| 2003-2004 | 165 | 20,749 | 34,980.83 | 47,640.00 | 1.36 |
| 2002-2003 | 179 | 21,769 | 32,864.20 | 30,144.00 | 0.92 |
| 2001-2002 | 184 | 21,640 | 20,858.02 | 14,210.00 | 0.68 |
| 2000-2001 | 182 | 20,252 | 19,538.76 | 197,632.22 | 10.11 |
| 1999-2000 | 203 | 21,531 | 17,108.54 | 17,400.00 | 1.02 |
| 1998-1999 | 212 | 22,087 | 17,475.34 | 55,104.68 | 3.15 |
| 1997-1998 | 232 | 22,857 | 17,797.26 | 44,679.34 | 2.51 |
| 1996-1997 | 240 | 22,801 | 25,891.18 | 47,960.58 | 1.85 |
| 1995-1996 | 252 | 22,866 | 26,219.52 | 7,270.22 | 0.28 |
| 1994-1995 | 263 | 23,053 | 26,720.66 | 6,400.00 | 0.24 |
| 1993-1994 | 231 | 20,572 | 24,979.34 | 16,400.00 | 0.66 |
| 1992-1993 | 242 | 21,224 | 26,093.76 | 3,752.66 | 0.14 |
| 1991-1992 | 259 | 22,739 | 28,987.80 | 17,157.20 | 0.59 |
| 1990-1991 | 282 | 23,771 | 30,883.99 | 7,600.00 | 0.25 |
| 1989-1990 | 217 | 26,221 | 35,295.12 | 10,130.00 | 0.29 |
| 1988-1989 | 313 | 25,913 | 35,507.84 | 7,639.50 | 0.22 |
| 1987-1988 | 306 | 25,500 | 39,104.26 | 3,200.00 | 0.08 |
| 1986-1987 | 300 | 24,705 | 38,929.11 | 17,593.05 | 0.45 |
| 1985-1986 | 265 | 22,662 | 39,200.03 | 36,775.90 | 0.94 |
| 1984-1985 | 219 | 18,263 | 42,042.80 | 14,459.00 | 0.34 |
| 1983-1984 | 209 | 18,037 | 43,820.40 | 3,400.00 | 0.08 |
| 1982-1983 | 205 | 17,253 | 42,423.00 | 21,133.16 | 0.50 |
| 1981-1982 | 249 | 20,480 | 53,326.15 | 16,120.35 | 0.30 |
| 1980-1981 | 284 | 22,817 | 77,919.61 | 53,089.50 | 0.68 |
| 1979-1980 | 403 | 29,491 | 86,731.88 | 60,501.10 | 0.70 |
| 1978-1979 | 352 | 26,121 | 59,198.14 | 31,744.50 | 0.54 |
| Totals | | | \$ 1,426,849.18 | \$ 1,686,202.29 | 1.18 |

Since the program's implementation in 1978, for every dollar collected in premium \$1.18 has been paid out in claims.

Table 5: Summary of dairy livestock insurance claims (April 1st, 2018-March 31st, 2019)

| Insurable Perils | No. Animals | Total Claims Paid (\$) |
|--------------------------------------|--------------------|-------------------------------|
| 1. Shipping Fever | 7 | \$14,000.00 |
| 2. Reportable Diseases | 0 | 0 |
| 3. Infectious Bovine Rhinotracheitis | 0 | 0 |
| 4. Other | 0 | 0 |
| 5. Loss of Income | 0 | \$96,990.72 |

Table 6: Claim summary re: dairy livestock insurance plan (April 1st, 1978-March 31st, 2019)

| Insurable Perils | No. Animals | Total Claims Paid (\$) |
|-------------------------|--------------------|-------------------------------|
| 1. Acute Mastitis* | 108 | \$104,291.40 |
| 2. Brucellosis | 2 | \$810.70 |
| 3. I B R | 58 | \$49,137.18 |
| 4. Loss Income | 0 | \$767,831.57 |
| 5. Other | 14 | \$16,200.00 |
| 6. Shipping Fever | 623 | \$747,931.44 |
| Totals | 805 | \$1,686,202.29 |

* This peril no longer covered.

Table 7: Summary of poultry livestock insurance plan (October 1st, 2007-March 31st, 2019)

| Years | No. Insured Flocks | No. Insured Birds | Total Premium (\$) | Claims Paid | Loss Ratio |
|--------------|---------------------------|--------------------------|---------------------------|--------------------|-------------------|
| 2018-2019 | 134 | 51,081,234 | \$23,394.48 | 0.00 | 0.00 |
| 2017-2018 | 128 | 52,487,506 | \$23,680.11 | 0.00 | 0.00 |
| 2016-2017 | 127 | 49,826,270 | \$23,617.65 | 0.00 | 0.00 |
| 2015-2016 | 123 | 48,226,910 | \$20,521.13 | \$0.00 | 0.00 |
| 2014-2015 | 302 | 49,220,352 | \$26,250.27 | \$0.00 | 0.00 |
| 2013-2014 | 169 | 40,774,938 | \$23,123.38 | \$0.00 | 0.00 |
| 2012-2013 | 121 | 48,124,847 | \$25,177.01 | \$0.00 | 0.00 |
| 2011-2012 | 110 | 36,990,059 | \$21,682.81 | \$0.00 | 0.00 |
| 2010-2011 | 129 | 46,596,231 | \$21,976.35 | \$0.00 | 0.00 |
| 2009-2010 | 106 | 36,456,512 | \$27,244.76 | \$0.00 | 0.00 |
| 2008-2009 | 89 | 40,689,660 | \$11,999.38 | \$0.00 | 0.00 |
| 2007-2008 | 170 | 6,090,671 | \$1,739.15 | \$0.00 | 0.00 |
| Total | | | \$250,406.48 | \$0.00 | 0.00 |

Table 8: Summary of poultry livestock insurance plan (2007-08 to 2018-19 poultry years inclusive)

| PLAN | No. Years | No. Claims | Total Premium | Claims Paid | Loss Ratio |
|-----------------------|------------------|-------------------|----------------------|--------------------|-------------------|
| Broiler(CHK) | 12 | 0 | \$ 107,046.89 | \$ 0.00 | 0.00 |
| Comm. Pullet(PUL) | 12 | 0 | \$ 14,050.40 | \$ 0.00 | 0.00 |
| Broiler Breeder(BRB) | 12 | 0 | \$ 24,947.64 | \$ 0.00 | 0.00 |
| Breeder Pullet(BRP) | 12 | 0 | \$ 3,770.26 | \$ 0.00 | 0.00 |
| Comm. Layer(CLR) | 12 | 0 | \$ 96,763.68 | \$ 0.00 | 0.00 |
| Integrated Layer(ILR) | 12 | 0 | \$ 3,827.61 | \$ 0.00 | 0.00 |
| Total | | 0 | \$250,406.48 | \$ 0.00 | 0.00 |

Table 9: Summary of wildlife compensation (May 8th, 2008 to March 31st, 2019)

| Year | No. Years | No. Commodities | No. Claims | Claims Paid |
|--------------|------------------|------------------------|-------------------|-----------------------|
| 2018-2019 | 11 | 23 | 114 | \$118,361.13 |
| 2017-2018 | 10 | 23 | 85 | \$135,903.04 |
| 2016-2017 | 9 | 23 | 120 | \$100,501.91 |
| 2015-2016 | 8 | 23 | 58 | \$172,382.45 |
| 2014-2015 | 7 | 22 | 91 | \$169,484.65 |
| 2013-2014 | 6 | 20 | 96 | \$ 77,381.48 |
| 2012-2013 | 5 | 20 | 107 | \$ 81,765.00 |
| 2011-2012 | 4 | 20 | 162 | \$182,913.81 |
| 2010-2011 | 3 | 18 | 157 | \$201,201.13 |
| 2009-2010 | 2 | 18 | 129 | \$146,554.05 |
| 2008-2009 | 1 | 18 | 60 | \$109,868.03 |
| Total | | | 1,179 | \$1,496,316.68 |

Table 10: Summary of wildlife compensation (2008-2019 wildlife year inclusive)

| PLAN | NO. YEARS | NO. CLAIMS | CLAIMS PAID |
|---------------------|------------------|-------------------|------------------------|
| Bees | 11 | 106 | \$ 95,640.00 |
| Bee Hive | 11 | 125 | \$ 52,804.58 |
| Hive Contents | 11 | 37 | \$ 15,910.38 |
| Bef Cow | 11 | 9 | \$ 6,400.00 |
| Beef Calf | 11 | 85 | \$ 18,920.00 |
| Beef Bull | 11 | 0 | \$ 0.00 |
| Beef Steer | 11 | 2 | \$ 1,120.00 |
| Lowbush Blueberries | 11 | 79 | \$ 158,612.27 |
| Strawberries | 11 | 28 | \$ 240,614.13 |
| Ewe | 11 | 199 | \$ 49,272.00 |
| Lamb | 11 | 255 | \$ 58,003.00 |
| Ram | 11 | 19 | \$ 4,432.00 |
| Tree Endorsement | 11 | 11 | \$ 18,182.40 |
| Apples | 11 | 46 | \$ 413,747.64 |
| Vegetable | 11 | 17 | \$ 101,406.53 |
| Corn Silage | 11 | 78 | \$ 111,613.90 |
| Grain Corn | 11 | 49 | \$ 77,997.36 |
| Soybean | 11 | 18 | \$ 42,200.02 |
| Grapes | 11 | 2 | \$ 18,720.78 |
| Kid | 11 | 2 | \$ 140.00 |
| Doe | 11 | 4 | \$ 720.00 |
| Buck | 11 | 1 | \$ 120.00 |
| Pears | 11 | 1 | \$ 674.20 |
| Winter Feed Wheat | 11 | 4 | \$ 7,705.49 |
| Dairy Cow | 11 | 1 | \$ 1,200.00 |
| Dairy Calf | 11 | 1 | \$ 160.00 |
| Total | | 1179 | \$ 1,496,316.68 |

2018-19 Summary

The Commission wrote \$187.5 million in coverage in 2018-19. This represented a 2% decrease in coverage over the previous year. Insurance coverage was broken down as 25.7% for crops, 19.3% for dairy and 55% for poultry. The total premium collected was \$1.758 million, which represented a 8.5% decrease over the previous year. This decrease was mainly a result of decreased sales in blueberries, vegetable, soybean and weather derivative plans. The impact of these decreases was moderated due to increased sales in the tree fruit and grapes.

The 2018 crop year began with variable spring conditions with 1-2 days of really hot weather followed by cool wet weather. The province was hit by a severe widespread early June frost on June 6th which affected all crops. Other maritime provinces were also affected. In Nova Scotia, temperature dropped down to between -3 to -5 °C. Significant crop damage was reported in tree fruit, blueberries, grapes, strawberries and vegetable crops. Winter grain and corn and soybeans were also set back by the frost event. Cool wet weather mixed with some hot days continued throughout June. July and August were hot and humid benefiting many crops.

The first widespread killing frost was reported on September 25th. Grain corn and soybeans harvests were significantly delayed by cool wet weather. Silage corn was harvested normally.

It is worth noting 25 years ago, during the 1993 cropping season similar growing conditions were reported.

In 2018, losses from insured perils resulted in 123 crop insurance payments totally \$6.519 million. This represented an increase of 351% over the previous year, the highest indemnity payouts in the Commission's 50 year history. These indemnity payments continue to be an important Business Risk Management tool and assisted producers with managing the natural risks they face on their farms. The largest indemnity payments were made in Tree Fruit (\$5,924,123), Blueberry (\$253,523), Grapes (\$73,935) Soybean (\$67,838), and Strawberry (\$48,742).

Diary livestock indemnity payments in 2018 totaled \$110,991 including one loss of income payment. There were no indemnity payments made in the Poultry ILT Plan. In its 11th year of operation the Canada/Nova Scotia Wildlife Compensation Program made payments for 114 claims, totalling \$118,361. This was 26% higher than payments made in the previous year.

The Commission continued its developmental work aimed at expanding the insurance options available to Nova Scotia producers to assist them with managing risk on their farms. These included:

- The Commission continued consultation with industry stakeholders, reviewing its plans and regulations to meet the needs of its clients. Work continued on revisions to the Dairy Plan.
- Revisions to the General Field Crop Insurance regulations and related updates to other affected crop plans received approval during 2018.
- Commission staff continued to work with industry stakeholders' groups in relation to the administration of the Canada Nova Scotia Wildlife Compensation program.

Administratively, the Commission focused on the following priorities:

- The Commission continued to focus internal resources on improving and updating its information technology infrastructure. Additional components were moved to a database model. Specifically, improvements were made to the Average Insurable Yield, Highbush Blueberry and Grape underwriting databases.
- The Commission continued to promote AgriInsurance to the agricultural industry through various media, and at trade shows.
- In 2018-19, the Commission completed an Actuarial Certification of its probable yield, premium rate and self sustainability methodologies as required under the Act and the Canadian Agricultural Partnership Agreement.

Table 11: Estimate-Actual 2018-19

| | Estimate 18-19 (000)s | Actual 18-19 (000)s |
|------------------------------------------------------|----------------------------------|--------------------------------|
| Revenues | | |
| Insurance Premiums Paid by Clients | 823 | 738 |
| Insurance Premiums Contributed by Gov't (Federal) | 736 | 611 |
| Wildlife Compensation Payments (Federal) | 150 | 71 |
| Insurance Premiums Contributed by Gov't (Provincial) | 491 | 409 |
| Wildlife Compensation Payments (Provincial) | 100 | 47 |
| Interest Income | 70 | 44 |
| Recoveries | 0 | 0 |
| Total Revenues | 2370 | 1920 |
| Expenses | | |
| Indemnity Claims | 1900 | 6630 |
| Wildlife Compensation Payments | 250 | 118 |
| Reinsurance Premiums | 0 | 0 |
| Bad Debt Expense | 5 | (31) |
| Recoveries | 0 | 7 |
| Total Expenses | 2155 | 6724 |
| Net Income From Insurance Activities | 215 | (4804) |
| Reinsurance/Grants | | |
| Federal | 0 | 0 |
| Provincial | 0 | 5068 |
| Net Income From All Activities | 215 | 264 |
| Crop and Livestock Insurance Fund Balance | | |
| Beginning of Year | 4736 | 4736 |
| End of Year | 4951 | 5000 |
| Administrative Expenses | | |
| Government Contributions (Canada) | 649 | 661 |
| Government Contributions (Nova Scotia) | 470 | 441 |
| Total Administrative Expenses | 1119 | 1102 |
| Net Govt Expenditure | | |
| Canada (Premium + Administration) | 1535 | 1343 |
| Nova Scotia (Premium + Administration) | 1061 | 5965 |
| Total Program Expenditure | 2596 | 7308 |

PERFORMANCE MEASURES

The core business of the Crop and Livestock Insurance Commission is the delivery of insurance products to the agriculture sector. As one of the pillars of Canada's Agricultural Finance system, crop insurance plays a key role in stabilizing business incomes by providing opportunities to manage or transfer risk. Crop production is particularly risk laden in that natural perils presented by climate and geography cannot easily be controlled or managed. The intended outcome of the Commission's program is to stabilize farm incomes, and by doing so, support the economic growth of the province.

Table 12: Core Business Area: Delivery of Insurance Products for Production Agriculture

| | Measure | DATA Base Year (2008-09) | Target - 2018-19 | GF2 Ultimate Target (2018-19) | CAP ULTIMATE TARGET (2022-23) | Trends | Actual As of March 31/19 |
|---|------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------|-------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1 | Number of Agri-Insurance Contracts | 700 | 670 | 900 | 800 | 2011-12 = 659 2012-13 = 674 2013-14 = 741 2014-15 = 832 2015-16 = 653 2016-17 = 666 2017-18 = 605 | 559 |
| 2 | \$ Value of Coverage | \$127.8M | \$180M | \$180M | \$200M | 2011-12 = \$141.2M 2012-13 = \$177.6M 2013-14 = \$161.5M 2014-15 = \$168.2M 2015-16 = \$164.1M 2016-17 = \$186M 2017-18 = \$191M | \$188M |
| 3 | Number of Agri-Insurance Products Available | 36 | 68 | 55 | 75 | 2011-12 = 41 2012-13 = 47 2013-14 = 47 2014-15 = 47 2015-16 = 50 2016-17 = 66 2017-18 = 66 | 65 |
| 4 | Value of Compensation Paid for Wildlife Damage | \$110,000 | \$200,000 | \$250,000 | \$250,000 | 2011-12 = \$183,000 2012-13 = \$ 82,000 2013-14 = \$ 77,381 2014-15 = \$169,984 2015-16 = \$172,382 2016-17 = \$100,502 2017-18 = \$135,903 | \$118,361 |
| 5 | Ratio of Insured Production to Total Value of All Products Eligible for Insurance in NS (Excludes Livestock) | 25.25% | 25% | 50% | 50% | 2011-12 = 23.44% 2012-13 = 23.11% 2013-14 = 14.38% 2014-15 = 19.68% 2015-16 = 20.18% 2016-17 = 21.46% 2017-18 = | N/A |
| 6 | Ratio of Agricultural Products Eligible for Insurance to Value of all Agricultural Products in NS (Excludes Livestock) | 57.78% | 60% | 75% | 85% | 2011-12 = 60.64% 2012-13 = 57.17% 2013-14 = 81.8% 2014-15 = 79.0% 2015-16 = 78.3% 2016-17 = 93.24% 2017-18 = | N/A |

Comments:

1. This measure decreased by 7% over the previous year which had also decreased from the previous year. The decrease was primarily due to fewer lowbush blueberry growers participating in the program as a result of continued low market prices for their crop.
2. The measure was 2% lower than the previous year primarily due to decreased coverage in the blueberry plan. This decrease was moderated by increased placements in poultry, along with the addition of coverage in the Tree Fruit plan.
3. There was one less crop (mixed grain) covered under the AgriInsurance program in 2018-19.
4. Most recent results show a 13% decrease in the measure indicating reduced pressure on crops and livestock from wildlife during the 2018-19 crop year. There was less pressure noted in most crops with increased pressure on bee and bee hives.
5. This measure is an indicator of the uptake by producers of crop insurance programs offered by AgriInsurance in Nova Scotia. While lower than targeted, this measure indicates consistent uptake of crop insurance programs by the industry in Nova Scotia.
6. This measure is an indication of the portion of the Agriculture industry in Nova Scotia which is being offered AgriInsurance. This measure showed consistent improvement in the portion of Nova Scotia Agricultural Sector that is being offered products under crop insurance surpassing the targets set at the beginning of the CAP Program.

Financial Statements

Nova Scotia Crop and Livestock Insurance Commission

March 31, 2019

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Management's responsibility for financial reporting

The accompanying financial statements of the Nova Scotia Crop and Livestock Insurance Commission are the responsibility of management and have been approved by Members of the Commission.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgements of management.

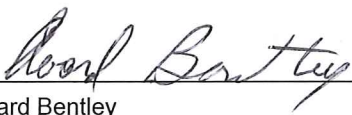
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Members of the Commission are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

Members of the Commission meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards. Grant Thornton LLP has full and free access to the Commission.

On behalf of the Nova Scotia Crop and Livestock Insurance Commission



Avard Bentley
Chair



Bill MacLeod, P.Ag.
CEO

(Date)

Independent auditor's report

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To the members of [Nova Scotia Crop and Livestock Insurance Commission](#)

Opinion

We have audited the accompanying financial statements of the [Nova Scotia Crop and Livestock Insurance Commission](#) (the "Commission"), which comprise the statement of financial position as at [March 31, 2019](#), the statement of operations and changes in fund balances, statement of changes in net financial assets, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the [Nova Scotia Crop and Livestock Insurance Commission](#) as at [March 31, 2019](#), and the results of operations, changes in its net financial assets and its cash flows for the year then ended in accordance with [Canadian public sector accounting standards](#).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules included on Pages 15-16 have been presented for the purposes of additional information and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

The financial statements of the [Nova Scotia Crop and Livestock Insurance Commission](#) for the year-ended [March 31, 2018](#) were audited by another firm.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with [Canadian public sector accounting standards](#), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Truro, Canada
June 20, 2019

Chartered Professional Accountants
Licensed Public Accountants

STATEMENT OF FINANCIAL POSITION

2019 ~~and~~ ~~through~~ 2018

Financial Assets

| | | |
|-----------------------------|------------------|------------------|
| Cash | \$ 240,583 | \$ 98,933 |
| Investments (Note 3) | 618,676 | 4,499,154 |
| Trade Receivable (Note 4) | 4,169,577 | 165,346 |
| Accrued interest receivable | <u>1,493</u> | <u>3,292</u> |
| | <u>5,030,329</u> | <u>4,766,725</u> |

Liabilities

| | | |
|------------------------|---------------|---------------|
| Deferred revenue | 33,648 | 42,369 |
| Deposits for insurance | <u>3,430</u> | <u>1,537</u> |
| | <u>37,078</u> | <u>43,906</u> |

Net Financial Assets

| | | |
|--|------------------|------------------|
| | <u>4,993,251</u> | <u>4,722,819</u> |
|--|------------------|------------------|

Non-Financial Assets

| | | |
|----------------------------------|--------------|---------------|
| Tangible capital assets (Note 5) | <u>7,110</u> | <u>13,525</u> |
|----------------------------------|--------------|---------------|


Fund Balances

| | | |
|--|---------------------|---------------------|
| | <u>\$ 5,000,361</u> | <u>\$ 4,736,344</u> |
|--|---------------------|---------------------|

On Behalf of the Commission



 Member



 Member

The accompanying notes and schedules are an integral part of these financial statements.

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

| | Budget | Funds | | | Total 2019 | Total 2018 |
|----------------------------------------------------------|---------------------|---------------------|---------------------|----------------|---------------------|---------------------|
| | | Crop | Livestock | General | | |
| Revenue | | | | | | |
| Insurance premiums (Schedule A) | \$ 2,300,000 | \$ 1,702,886 | \$ 55,467 | \$ 118,361 | \$ 1,876,714 | \$ 2,058,129 |
| Interest income | 70,000 | 36,584 | 7,125 | - | 43,709 | 77,355 |
| Provincial Grant (Note 7) | - | 5,068,000 | - | - | 5,068,000 | - |
| Other revenue (Note 17) | - | (50) | - | - | (50) | 192 |
| | <u>2,370,000</u> | <u>6,807,420</u> | <u>62,592</u> | <u>118,361</u> | <u>6,988,373</u> | <u>2,135,676</u> |
| Expenses | | | | | | |
| Indemnity claims (Schedule A) | 2,150,000 | 6,519,215 | 110,991 | 118,361 | 6,748,567 | 2,028,126 |
| Bad debt (recovery) expense | 5,000 | (30,626) | - | - | (30,626) | 29,721 |
| Administrative expenses (Note 9) (Schedule B) | 1,119,000 | 1,063,425 | 22,030 | 16,046 | 1,101,501 | 1,024,758 |
| Amortization expense | - | 6,415 | - | - | 6,415 | 7,919 |
| | <u>3,274,000</u> | <u>7,558,429</u> | <u>133,021</u> | <u>134,407</u> | <u>7,825,857</u> | <u>3,090,524</u> |
| Surplus (deficit) before government contributions | (904,000) | (751,009) | (70,429) | (16,046) | (837,484) | (954,848) |
| Government contributions (Note 7) | <u>1,119,000</u> | <u>1,063,425</u> | <u>22,030</u> | <u>16,046</u> | <u>1,101,501</u> | <u>1,024,758</u> |
| Net operating surplus | <u>\$ 215,000</u> | <u>312,416</u> | <u>(48,399)</u> | <u>-</u> | <u>264,017</u> | <u>69,910</u> |
| Fund balances, beginning of year | <u>\$ 4,765,000</u> | <u>3,670,891</u> | <u>1,065,453</u> | <u>-</u> | <u>4,736,344</u> | <u>4,666,434</u> |
| Fund balances, end of year (Note 6) | <u>\$ 4,980,000</u> | <u>\$ 3,983,307</u> | <u>\$ 1,017,054</u> | <u>\$ -</u> | <u>\$ 5,000,361</u> | <u>\$ 4,736,344</u> |

The accompanying notes and schedules are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

| | Budget | 2019 | 2018 |
|------------------------------------------------|---------------------------|----------------------------|----------------------------|
| Net Financial Assets, beginning of year | <u>\$ 4,765,000</u> | <u>\$ 4,722,819</u> | <u>\$ 4,644,990</u> |
| Changes in the year | | | |
| Net operating surplus | \$ 215,000 | 264,017 | 69,910 |
| Amortization | <u> -</u> | <u> 6,415</u> | <u> 7,919</u> |
| Total changes in the year | <u> 215,000</u> | <u> 270,432</u> | <u> 77,829</u> |
| Net Financial Assets, end of year | <u><u>\$4,980,000</u></u> | <u><u>\$ 4,993,251</u></u> | <u><u>\$ 4,722,819</u></u> |

The Commission does not budget for certain non-cash items such as amortization.

The accompanying notes and schedules are an integral part of these financial statements

STATEMENT OF CASH FLOWS

| | 2019 | 2018 |
|------------------------------------------------------------------------------------|--------------------|------------------|
| Operating Activities | | |
| Net operating surplus | \$ 264,017 | \$ 69,910 |
| Amortization of tangible capital assets | 6,415 | 7,919 |
| Net change in non-cash working capital balances related to operations (Note 10) | (4,009,260) | 85,371 |
| Change in accrued interest on investments | <u>76,361</u> | <u>(45,959)</u> |
| Cash provided by operating activities | <u>(3,662,467)</u> | <u>117,241</u> |
| Investing Activities | | |
| Acquisition of investments | - | (3,181,726) |
| Proceeds from disposal of investments | <u>3,804,117</u> | <u>3,062,355</u> |
| Cash (used in) investing activities | <u>3,804,117</u> | <u>(119,371)</u> |
| Increase (decrease) in cash during year | 141,650 | (2,130) |
| Cash, beginning of year | <u>98,933</u> | <u>101,063</u> |
| Cash, end of year | <u>\$ 240,583</u> | <u>\$ 98,933</u> |

The accompanying notes and schedules are an integral part of these financial statements

1. Authority

The Nova Scotia Crop and Livestock Insurance Commission was established pursuant to Section 3(1) of the Nova Scotia Crop and Livestock Insurance Act (Act). Section 8(1) of the Act establishes Funds which are in the custody and control of the Commission to be used to administer crop and livestock insurance plans, as well as wildlife compensation, and conduct programs relating to these plans.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

The Public Sector Accounting Board (PSAB) issued new accounting standards effective for fiscal years beginning on or after April 1, 2017.

The Commission adopted the new accounting standards for related party disclosures (PS 2200), inter-entity transactions (PS 3420), assets (PS 3210), contractual rights (PS 3380) and contingent assets (PS 3320). These new accounting standards only impact note disclosures. The adoption of PS 2200, PS 3420, PS 3210, PS 3380 and PS 3320 did not result in a significant impact in the disclosures included in the Commission's financial statements.

These financial statements are prepared using the following significant accounting policies:

Tangible capital assets

Tangible capital assets are recorded at cost, net of accumulated amortization. Amortization is provided on a straight-line basis over the assets estimated useful life, which for office furniture and equipment is five years and for computer hardware and software is two years. The Commission expenses tangible capital assets under \$1,500.

Revenue

Revenue is recorded on an accrual basis. The main components of revenue are insurance premiums, interest income, government grants, and government grants for insurance premiums and administrative expenses. Insurance premium revenue is recognized when certificates for insurance are issued. Premium revenue relating to coverage subsequent to year end is deferred. Government grants for insurance premiums, government grants and administrative expenses are recognized as revenue in the period during which the grants are authorized and eligibility criteria are met, except when and to the extent the transfer includes stipulations that give rise to an obligation that meets the definition of a liability. The Commission receives contributions from the Province of Nova Scotia for the purchase of assets, which is recognized in revenue upon acquisition.

Indemnity claims

Expenses for indemnity claims are recorded when the loss incurred by the producer is verified and authorized.

Financial Instruments

The Commission's financial instruments consist of investments in promissory notes, accounts receivable, deferred revenue, cash and deposits for insurance. The Commission measures its financial instruments at cost or amortized cost.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Use of Estimates and measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Key estimates for the Commission include the allowance for doubtful accounts. Any Provincial write off affecting the allowance for doubtful accounts may impact the fund surplus in future years.

3. Investments

The Commission invests with the Province excess funds to be used to pay future indemnity claims. At March 31, 2019, these funds were invested in a promissory note maturing in fiscal year 2022 with an annual yield of 2.18%.

Investments as of March 31

| Date issued | Maturity date | # of days | Interest rate | 2019 | 2018 |
|---------------|---------------|-----------|---------------|----------------------------------|----------------------------------|
| | | | | Total including accrued interest | Total including accrued interest |
| Nov. 30, 2015 | Nov. 30, 2020 | 1,827 | 1.75% | \$ - | \$ 1,793,466 |
| Sep. 15, 2017 | Sep. 15, 2020 | 1096 | 2.05% | - | 518,480 |
| Sep. 15, 2017 | Sep. 15, 2020 | 1096 | 2.05% | - | 531,630 |
| Oct. 6, 2017 | Oct. 4, 2018 | 363 | 1.57% | - | 507,302 |
| Oct. 27, 2017 | Oct. 27, 2022 | 1826 | 2.18% | 618,676 | 605,542 |
| Nov. 22, 2017 | Nov. 22, 2019 | 730 | 1.64% | - | 542,734 |
| | | | | \$ 618,676 | \$ 4,499,154 |

4. Trade Receivables

| | Current | Past due 31 - 90 days | Past due > 90 days | Total 2019 | Total 2018 |
|----------------------------------------|--------------------|-----------------------|--------------------|--------------------|------------------|
| Province of Nova Scotia | \$4,004,509 | \$- | \$5,234 | \$4,009,743 | \$42,492 |
| Federal Government | \$6,735 | \$- | \$165,010 | \$171,745 | \$147,904 |
| Producer | \$3,135 | \$- | \$11,629 | \$14,764 | \$38,650 |
| | \$4,014,379 | \$- | \$181,873 | \$4,196,252 | \$229,046 |
| Allowance for doubtful accounts | \$ - | \$- | \$26,675 | \$26,675 | \$63,700 |
| Total Receivables | \$4,014,379 | \$- | \$155,198 | \$4,169,577 | \$165,346 |

NOTES TO THE FINANCIAL STATEMENTS

5. Tangible capital assets

| | 2019 | 2018 |
|--------------------------|-----------------|------------------|
| Cost of Equipment | | |
| Opening cost | \$ 39,955 | \$ 39,955 |
| Additions | - | - |
| Disposals | - | - |
| Closing cost | <u>39,955</u> | <u>39,955</u> |
| Accumulated amortization | | |
| Opening balance | 13,525 | 18,511 |
| Disposals | - | - |
| Amortization expense | <u>6,415</u> | <u>7,919</u> |
| Closing balance | <u>-</u> | <u>26,430</u> |
| Net book value | <u>\$ 7,110</u> | <u>\$ 13,525</u> |

6. Fund balances

The Livestock Fund balance consists of dairy livestock insurance of \$766,419 (2018 - \$838,625) and poultry insurance of \$250,635 (2018 - \$226,828). A claim for indemnity under either the Dairy Livestock Insurance Plan or the Poultry Insurance Plan is limited to the extent of the assets in the Livestock Insurance Fund balance held by the Commission.

The General Fund includes wildlife compensation.

7. Government contributions

Insurance premiums

Under the crop insurance programs, producers pay 40% of the insurance premiums and the Federal and Provincial governments pay 36% and 24% respectively for the comprehensive portion of the insurance premiums. If an insurance premium contains a high-cost portion, the Federal and Provincial governments pay a reduced proportion of the high-cost portion of the insurance premium. The proportion of the insurance premium that is high-cost varies by plan and coverage level depending on the base rate for that particular plan. Neither the Federal nor Provincial governments cost share in the insurance premiums of the livestock and poultry insurance programs or in non-refundable deposits.

In 2018 the Province paid an additional producer cost related to the high cost portion for the lowbush blueberry plan to reduce premium impacts related to a unit price penalty under the CAP agreement. The total support from this initiative to the lowbush blueberry clients was \$764.25

7. Government contributions (Continued)

Administrative expenses

The financial statements include the total cost of administrative expenses which are initially paid by the Provincial government, and then subsequently reimbursed by the Federal government for their contribution. For the 2018-19 fiscal year, the Federal government contributed 60%, (2018 - 60%) of the total administrative expenses for the crop insurance program, with the Provincial government funding the remainder. The Provincial government funds all the administrative costs of the livestock and poultry insurance programs.

Capital Assets

Capital assets are cost-shared, (60% Federal Government, 40% Provincial Government) administrative expenses. The Commission expenses capital assets under \$1,500 and capitalizes those over \$1,500.

Wildlife program

The compensation payments and administrative expenses of the wildlife compensation program are funded 60% by the Federal government and 40% by the Provincial government.

Additional Provincial Allocations in 2018-19

The Province of Nova Scotia allocated non-repayable funds to the Commission to cover indemnity payments during the 2018 crop year in the amount of \$1,068,000.00. An additional non-repayable appropriation from the Province was received in April 2019 in the amount of \$4,000,000.00 to offset losses in the crop insurance fund related to indemnity payments in 2018.

8. Indemnity claims

Winter Grain

Winter Grain is planted in the fall, but not harvested until the following fall. Crop yields can fluctuate dramatically depending on factors such as weather conditions during the growing and harvesting seasons. As a result, the occurrence and amount of losses relating to the crop planted in the current year, if any, have not been incurred until well after the fiscal year end. Indemnity expenses for Winter Grain and related payables will be recorded in the year that the loss of yield, if any, is incurred.

Maple Syrup

In certain cases, indemnity expenses for Maple Syrup production losses related to premiums collected in the current fiscal year will not be incurred until after year end. Maple Syrup yields will fluctuate based on weather conditions. Indemnity expenses and related payables for Maple Syrup will be recorded in the year that the loss of yield, if any, is incurred.

NOTES TO THE FINANCIAL STATEMENTS

9. Administrative expenses

The Commission offers three types of insurance plans: crop, dairy livestock and poultry, and a wildlife compensation program. The administrative expenses associated with offering these programs are detailed in Schedule B. The administrative expenses are allocated to the livestock and poultry plan at 2% of the total administrative expenses incurred by the Commission. The administrative expenses of the wildlife compensation program are allocated based upon direct travel and staffing costs associated with investigating and adjusting wildlife claims, as well as an additional 25% of these costs for other fixed administrative costs of this plan. The remaining administrative costs, after deducting those attributable to the livestock and poultry plans, and wildlife compensation program, are allocated to the crop insurance plan.

10. Net change in non-cash working capital balances related to operations

| | 2019 | 2018 |
|-----------------------------------------------------|-----------------------|------------------|
| Increase (decrease) in cash from changes in: | | |
| Receivables | \$ (4,004,231) | \$ 95,921 |
| Accrued interest receivable | 1,799 | (1,298) |
| Deferred revenue | (8,721) | (2,255) |
| Deposits for insurance | 1,893 | (997) |
| Indemnities payable | <u>-</u> | <u>(6,000)</u> |
| | <u>\$ (4,009,260)</u> | <u>\$ 85,371</u> |

11. Financial instruments

The Commission is exposed to credit risk on the accounts receivable from its clients. In order to reduce its credit risk, the Commission has adopted credit policies which include the analysis of the financial position of its clients and the regular review of their credit limits. The Commission does not have a significant exposure to any individual client. It is management's opinion that the Commission is not exposed to any significant market or liquidity risks.

There have been no changes compared to previous years with respect to the exposures to risk and how they arise, the Commission's objectives, policies and processes for managing the risks and the methods used to measure the risks.

12. Related party transactions

The Commission is related in terms of common ownership to all Province of Nova Scotia created departments, agencies, boards and commissions. The Commission enters into transactions with these entities in the normal course of business measured at the exchange amount. Related parties also include key management personnel having the authority and responsibility for planning, directing and controlling the activities of the Commission. This includes Senior Executives, and members of the Commission and their close family members. The following disclosure is in addition to the related party disclosure provided elsewhere in these financial statements.

Administrative expenses include \$30,000 (2018 - \$30,000) for rent and \$44,240 (2018 - \$44,240) for miscellaneous professional services that were charged to the Commission by the Nova Scotia Department of Agriculture.

13. Economic dependence

The Commission is economically dependent upon the ongoing and future funding from the Province of Nova Scotia and the Government of Canada.

14. Insurance coverage

The Commission's insurance coverage is based on actuarially sound premium rate methodologies as required by its Act and the Canadian Agricultural Partnership (CAP) cost sharing agreement. All premium rates include a self-sustainability factor to ensure premiums calculated are adequate to cover expected liabilities.

The total insurance coverage issued during the 2018-19 fiscal year was \$187,524,434 (2018 - \$191,443,248), comprised of crop insurance of \$48,096,738 (2018 - \$47,898,589), livestock insurance of \$36,269,641 (2018 - \$38,189,863) and poultry insurance of \$103,158,055 (2018 - \$105,354,796). This represents the maximum potential exposure of the Commission for all certificates issued under its insurance plans and is provided for information purposes.

15. Pension and post-retirement benefits

All full-time employees of the Commission are entitled to receive pension benefits pursuant to the provisions of a pension plan established under the Public Service Superannuation Act. The plan is funded by equal employee and employer contributions. The employer's contributions are included in the Commission's operating expenses. The Commission is not responsible for any unfunded liability or other obligations related to the pension. The pension expense incurred in the current year was \$64,396 (2018 - \$72,291).

Full-time employees of the Commission are eligible to receive a long service award as well as ongoing health and dental benefits upon retirement, as outlined in the collective agreement. Payments for this award, and these benefits, are the responsibility of the Province. The Commission is not responsible for any unfunded liability, payments, expenses or other obligations related to these benefits. The Province offered a long service award payout to civil servants in 2018-19. The total paid out by the Province to Commission staff was \$108,123.29.

NOTES TO THE FINANCIAL STATEMENTS

16. Public Sector Compensation Disclosure Act

Under the Public Sector's Compensation Disclosure Act, all organizations which, are part of the Government Reporting Entity must disclose all compensation paid to any person that is greater than \$100,000. All employees of the Commission are disclosed under Volume 3 – Supplementary Information of the Public Accounts.

For 2018-19 the following board members, officers and employees received compensation for \$100,000.00 or more:

George Macintosh - \$108,795.86

17. Deposits held by the Commission

The Commission discovered a credit owed to a producer in 2018. The current amount is a refund back to a client's account from the Commission's surplus.

PREMIUM REVENUE AND INDEMNITY CLAIMS

SCHEDULE A

| | Premium Revenue | | | Indemnity Claims | | | |
|------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| | Producer | Federal | Provincial | 2019 | 2018 | 2019 | 2018 |
| Crop Insurance | | | | | | | |
| Spring Grain | \$ 12,907 | \$ 8,116 | \$ 5,411 | \$ 26,434 | \$ 26,205 | \$ 3,917 | \$ 216 |
| Winter Grain | 7,753 | 6,065 | 4,044 | 17,862 | 30,817 | 6,911 | 27,870 |
| Tree Fruit | 396,562 | 369,681 | 246,454 | 1,012,697 | 879,276 | 5,924,123 | 1,544,768 |
| Corn | 50,728 | 45,639 | 30,426 | 126,793 | 159,577 | 55,081 | 24,836 |
| Weather Derivative | 45,369 | 40,832 | 27,222 | 113,423 | 144,341 | - | - |
| Blueberries | 71,574 | 62,044 | 42,636 | 176,254 | 348,951 | 253,523 | 25,668 |
| Strawberries & Raspberries | 10,188 | 5,822 | 3,881 | 19,891 | 18,766 | 48,742 | 46,314 |
| Maple | 8,355 | 7,289 | 4,859 | 20,503 | 18,865 | - | 17,850 |
| Forage | 458 | 413 | 275 | 1,146 | 986 | - | 8,243 |
| Soybeans | 22,050 | 19,845 | 13,230 | 55,125 | 82,481 | 67,838 | 76,755 |
| Vegetables | 1,408 | 1,268 | 845 | 3,521 | 9,066 | 16,849 | - |
| Acreage Loss | 42,484 | 32,644 | 21,763 | 96,891 | 125,381 | 43,555 | 86,037 |
| Grapes | 9,319 | 8,387 | 5,591 | 23,297 | 18,555 | 73,935 | - |
| Potato | <u>3,619</u> | <u>3,258</u> | <u>2,172</u> | <u>9,049</u> | <u>2,766</u> | <u>24,741</u> | <u>-</u> |
| | <u>682,774</u> | <u>611,303</u> | <u>408,809</u> | <u>1,702,886</u> | <u>1,866,033</u> | <u>6,519,215</u> | <u>1,858,557</u> |
| Livestock Insurance | | | | | | | |
| Livestock | 32,055 | - | - | 32,055 | 32,364 | 110,991 | 33,666 |
| Poultry | <u>23,412</u> | <u>-</u> | <u>-</u> | <u>23,412</u> | <u>23,829</u> | <u>-</u> | <u>-</u> |
| | <u>55,467</u> | <u>-</u> | <u>-</u> | <u>55,467</u> | <u>56,193</u> | <u>110,991</u> | <u>33,666</u> |
| Wildlife Compensation | <u>-</u> | <u>71,017</u> | <u>47,344</u> | <u>118,361</u> | <u>135,903</u> | <u>118,361</u> | <u>135,903</u> |
| Total | <u>\$ 738,241</u> | <u>\$ 682,320</u> | <u>\$ 456,153</u> | <u>\$ 1,876,714</u> | <u>\$ 2,058,129</u> | <u>\$ 6,748,567</u> | <u>\$ 2,028,126</u> |

EXPENSES

SCHEDULE B

| | Insurance | | | Totals | |
|------------------------------------------------------------|----------------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Crop | Livestock | Wildlife/General | 2019 | 2018 |
| Operations – Insurance Processing | \$100,129 | \$ 2,111 | \$ 3,296 | \$ 105,536 | \$ 105,092 |
| Operations - Adjusting | 188,995 | 3,929 | 3,509 | 196,433 | 198,636 |
| Audit (Field) | 163,885 | 3,402 | 2,806 | 170,093 | 171,815 |
| Policy Administration | 99,844 | 2,067 | 1,457 | 103,368 | 133,275 |
| Finance | 105,219 | 2,169 | 1,043 | 108,431 | 104,236 |
| Research, Development/Underwriting | 211,442 | 4,341 | 1,259 | 217,042 | 113,749 |
| Program Sales and Promotion | 5,855 | 125 | 284 | 6,264 | 6,392 |
| Human Resources | 55,588 | 1,149 | 728 | 57,465 | 55,102 |
| Systems Maintenance and Support | 103,029 | 2,128 | 1,244 | 106,401 | 105,973 |
| Accommodations | 29,439 | 609 | 420 | 30,468 | 30,488 |
| Capital | - | - | - | - | - |
| Total Expenses funded by Government (Note 9) | <u>1,063,425</u> | <u>22,030</u> | <u>16,046</u> | <u>1,101,501</u> | <u>1,024,758</u> |
| Administrative expenses related to tangible capital assets | - | - | - | - | - |
| Administrative Expenses | <u>1,063,425</u> | <u>22,030</u> | <u>16,046</u> | <u>1,101,501</u> | <u>1,024,758</u> |
| Indemnity claims – Schedule A | 6,519,215 | 110,991 | 118,361 | 6,748,567 | 2,028,126 |
| Bad debts | (30,626) | - | - | (30,626) | 29,721 |
| Amortization | <u>6,415</u> | - | - | <u>6,415</u> | <u>7,919</u> |
| | <u>6,495,004</u> | <u>110,991</u> | <u>118,361</u> | <u>6,724,356</u> | <u>2,065,766</u> |
| TOTAL EXPENSES | <u>\$ 7,558,429</u> | <u>\$ 133,021</u> | <u>\$ 134,407</u> | <u>\$ 7,825,857</u> | <u>\$ 3,090,524</u> |