



**PAMI**

**ANNUAL  
REPORT**

2024-2025

**50** YEARS OF  
INNOVATION



# LETTER OF TRANSMITTAL



**Honourable Daryl Harrison**  
*Minister of Agriculture*  
*Government of Saskatchewan*



**Honourable Ron Kostyshyn**  
*Minister of Agriculture*  
*Government of Manitoba*



**Carmen Sterling**  
*Chair, Board of Directors*  
*Prairie Agricultural Machinery Institute*

July 28, 2025

Honourable Bernadette McIntyre, Lieutenant Governor of Saskatchewan

May it please Your Honour:

The undersigned is pleased to present the annual report of the Prairie Agricultural Machinery Institute for the year ended March 31, 2025. It includes the financial statements audited by the Provincial Auditor.

Respectfully submitted,

Honourable Daryl Harrison  
Minister of Agriculture  
Government of Saskatchewan



July 28, 2025

Honourable Daryl Harrison  
Minister of Agriculture  
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Honourable Ron Kostyshyn  
Minister of Agriculture  
Government of Manitoba

Dear Ministers:

It is my honour to present the annual report of the Prairie Agricultural Machinery Institute for the year ended March 31, 2025.

Respectfully submitted,

Carmen Sterling  
Chair, Board of Directors  
Prairie Agricultural Machinery Institute



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**PAMI**





# PAMI CELEBRATES 50 YEARS OF INNOVATION

The Prairie Agricultural Machinery Institute (PAMI) has been a cornerstone of innovation and advancement in Canada's agricultural landscape since its establishment in 1975. Over nearly five decades, PAMI has expanded its expertise to serve not only agriculture but also the mining, transportation, and defence sectors, providing a broad range of engineering solutions and testing services.

Founded on the cooperation and commitment from the three Prairie Provinces, Alberta (Honourable Hugh Horner) Saskatchewan (Honourable John Messer) and Manitoba (Honourable Samuel Uskiw), PAMI's primary purpose was the development and evaluation of prairie farm machinery. Breaking new ground in policy and fiscal arrangements between the provinces, this formation not only had regional significance but also national and international recognition.

Today, celebrating its 50th anniversary, PAMI marks a significant milestone in its journey of innovation, growth, and excellence. Over the past five decades, PAMI has built a strong reputation for quality, customer satisfaction, and a commitment to progress. This golden anniversary is not just a reflection of its longevity but also a testament to the dedication of its employees, the trust of its customers, and the strength of its core values. As it looks to the future, PAMI remains committed to innovation and excellence, ready to embrace new challenges and opportunities in the years ahead.





## Comprehensive Services Across Industries

PAMI offers a suite of services designed to enhance product development and ensure durability across various industries:

- **Test Services:** Conducting machinery performance evaluations, safety standards compliance, assessing the longevity and reliability of equipment under simulated real-world conditions to ensure products meet rigorous standards.
- **Value-Added Processing:** Providing a secure, fully equipped environment for applied research, experimental work, or producing product runs for market testing.
- **Electronics & Cable Shop:** Designing and manufacturing custom wiring harnesses and control solutions, including integrating autonomous operations into existing machinery.
- **Modeling & Simulation:** Utilizing advanced computational tools to predict and enhance the performance of designs before physical prototypes are developed.
- **Research:** Leading projects in areas such as grain storage solutions, equipment benchmarking, and water management to drive innovation and efficiency.

## Agricultural Innovation and Support

In the agricultural sector, PAMI plays a pivotal role by collaborating with producers and manufacturers to develop and test new technologies that improve efficiency and productivity. Their research initiatives have addressed critical areas such as grain storage solutions, equipment benchmarking, and water management, directly contributing to the advancement of farming practices.

## Transportation and Mining Testing

Beyond agriculture, PAMI extends its expertise to the transportation and mining industry, offering services like vibration analysis, emissions testing, and compliance with safety standards such as the Canadian Motor Vehicle Safety Standards (CMVSS). Their facilities are equipped to conduct rigorous testing for on-road and off-road vehicles, emergency response vehicles, and heavy equipment, ensuring these machines meet the highest performance and safety criteria.

## Commitment to Quality and Confidentiality

PAMI's dedication to quality is underscored by its ISO 9001:2015 certification, reflecting a consistent commitment to delivering high-quality services and repeatable test results. They prioritize client confidentiality through a sophisticated three-level program, allowing clients to choose the level that best suits their needs. Notably, PAMI ensures that all intellectual property developed during collaborations remains with the client, fostering trust and safeguarding innovations.

## Strategic Partnerships and Economic Impact

PAMI's collaborations with provincial governments and various industries have been instrumental in driving economic growth and job creation in Western Canada. By providing engineering services from conceptualization to design and innovation, PAMI supports clients ranging from startups to large Original Equipment Manufacturers (OEMs), facilitating the development of cutting-edge agricultural equipment and heavy machinery.

The Prairie Agricultural Machinery Institute stands as a beacon of innovation and reliability, offering a diverse array of services that propel advancements throughout many industries. Through unwavering commitment to quality, confidentiality, and client success, PAMI continues to be an invaluable partner in engineering solutions, contributing significantly to the technological and economic landscape of Canada.





# CHAIR OF THE BOARD MESSAGE

This year marks a significant milestone for PAMI—50 years of delivering innovative solutions, trusted research, and engineered excellence. As we reflect on our journey, we celebrate not only our history of innovation, but also the enduring commitment to quality, collaboration, and service that continues to drive us forward.

Fifty years ago, PAMI was founded with a clear mission: to support the agricultural sector with trusted, independent research and testing. Much has changed since 1975—technologies have evolved, industries have diversified, and PAMI's reach has expanded over the years and now includes mining and transportation. Yet through it all, one thing has never changed: our commitment to delivering quality, customer-focused solutions.

Over the decades, we have tested and reported on hundreds of pieces of agricultural equipment, building a resource library that continues to serve farmers, manufacturers, and researchers alike. We have engineered and manufactured equipment tailored to unique client needs—solutions that have traveled far beyond our Prairie roots to customers around the world.

Our success has been made possible not only by the people within PAMI, whose innovation and dedication remain our greatest strength, but also by the steadfast support of our partners. We gratefully acknowledge the Ministries of Agriculture from the provinces of Saskatchewan and Manitoba, whose financial contributions and trust have helped sustain and grow our organization across generations.

Fifty years is more than a measure of time—it is a testament to the relationships we have built, the challenges we have met, and the impact we have made. As we look to the future, we do so with the same spirit of curiosity, resilience, and service that defined our beginnings.

Thank you to everyone—our employees, clients, partners, and supporters—who have made PAMI's first fifty years so remarkable. The best is yet to come.

Sincerely,

Carmen Sterling  
Chair, Board of Directors  
Prairie Agricultural Machinery Institute

# PRESIDENT & CEO MESSAGE



Fifty years have passed since the founding of the Prairie Agricultural Machinery Institute (PAMI), and we take immense pride in our rich history of innovation. Since day one, PAMI has been committed to developing groundbreaking products and testing equipment that empower our customers to achieve sustainability and efficiency. That foundational mission still drives us today.

While we were originally known for our work in agriculture, our journey over the decades has expanded to include a wide array of industries and technologies. As we move toward 2026, PAMI continues to evolve—reaching new heights through innovation, research, and collaboration.

We are proud to celebrate a milestone that few organizations attain. With a wealth of experience and the ongoing advancement of technology, PAMI is achieving unprecedented success. As part of this celebration, we are proud to unveil our new company Vision:

**"To add value by enhancing and testing our customers' ideas through innovative engineering solutions, and by using cutting-edge research to improve productivity, sustainability, and profitability."**

Our Mission is clear:

**"To be a local, national, and global leader in innovative engineered solutions—recognized for our commitment to excellence and sustainability—while embracing real-world best practices through technology, research, collaboration, and testing."**

The 2024–25 year marked a pivotal transformation into PAMI 2.0, highlighted by:

- Implementation of improved processes and procedures
- Full integration of our new ERP system
- Introduction of modern expense and reporting software
- Enhanced building access controls
- Strategic growth through the addition of highly skilled professional staff

Our focus remains firmly on our clients - on improving product commercialization, advancing sustainability, fostering collaboration, enhancing customer experience (PAMI CX), and driving innovation. With a strong performance-driven culture, unwavering integrity, and a steadfast commitment to safety, PAMI is poised to thrive for another 50 years.

We extend our heartfelt thanks to our Board of Directors, our exceptional staff, and the Ministries of Agriculture in Saskatchewan and Manitoba for their continued support.

As we look to the future, we remain dedicated to empowering great ideas and delivering **Innovation Shaped by Engineered Solutions**.

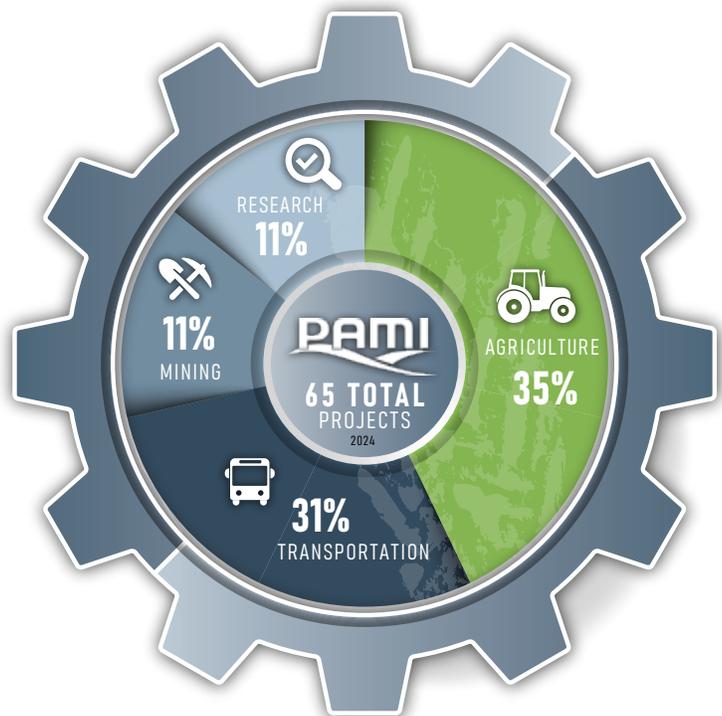
A handwritten signature in blue ink, which appears to read "Paul Buczkowski". The signature is fluid and cursive, written over a white background.

Paul Buczkowski  
President & Chief Executive Officer  
Prairie Agricultural Machinery Institute



## BOARD OF DIRECTORS

- Carmen Sterling, Chair - Weyburn, Saskatchewan
- Gunter Jochum, Vice Chair - St. Francois Xavier, Manitoba
- Grant Adolph - Winnipeg, Manitoba
- Mark Anderson - Regina, Saskatchewan
- Gene Fraser - Winnipeg, Manitoba
- Nathan Jacobs - St. Brieux, Saskatchewan
- Kendra Mueller - Humboldt, Saskatchewan





# INNOVATION TO COMMERCIALIZATION

PAMI's experience in mechanical testing, simulation and numerical modeling, small-scale processing and full-scale readiness allow us to provide solutions to various challenges in any industry.

Our primary purpose is to enhance client productivity, sustainability, and profitability by offering advanced engineering and applied research through the use of innovative products and services.

With a proven 50-year history in engineering development, advanced processing, product development, and design, PAMI has earned a reputation as a market leader.

Our team is passionate about machinery and dedicated to continuous improvement. We approach every challenge as an opportunity to find solutions. By studying, designing, and testing equipment and vehicles in real-world conditions, we help to enhance their performance, durability and overall efficiency.



## VISION.

To add value by enhancing and testing our customers' ideas through innovative engineering solutions, and by using cutting-edge research to improve productivity, sustainability, and profitability.

## MISSION.

To be a local, national, and global leader in innovative engineered solutions—recognized for our commitment to excellence and sustainability—while embracing real-world best practices through technology, research, collaboration, and testing.

## FOCUS.

PAMI is dedicated to finding comprehensive solutions through analysis, design, testing, and implementation strategies for our customers. Our primary goal is advancing their ideas and products by providing engineering, fabrication, and testing services as well as guidance for future success. We support many industries and services, which include agriculture, energy, material processing, defence/security, mechanical testing and simulation/numerical modeling.

1. Innovation and Commercialization: Evolving and pursuing new ideas and technologies to revolutionize processes and best practices. This includes Artificial Intelligence, autonomous systems and machine learning advancements, as well as energy and resource streamlining. PAMI will remain an independent testing agency using applied research, testing, and test methods that are practical and proven.
2. Sustainability: Promoting long-term, economically and environmentally sustainable solutions.
3. Collaboration: Partnering with customers, research institutions, commodity groups, and industry stakeholders.
4. Integrity: Maintaining high standards of honesty, transparency, and ethics.
5. Safety: Prioritizing safety in all operations.
6. Customer Experience: Exceeding client needs with open communication and a focus on customer success.
7. Product Commercialization (Development and Creation): Develop products that remove inefficiencies.
8. High Performance Organizational Culture: Fostering an accountable, high-performance team to achieve customer goals.



# SENIOR LEADERSHIP

L-R: Lorne Grieger, Director of Technical Sales,  
Paul Buczkowski, President & CEO,  
Bryan Lung, Director of Operations





## Safe, Effective & Comfortable Machines

Ergonomics, otherwise known as Human Factors Engineering, is based on the idea that people have limitations and capabilities that should be considered when designing products for human beings. Human Factors Engineering is often overlooked during the design of a machine, but has a significant influence on individual and group behaviour. It optimizes the interaction between people, technology, and their environment, ensuring safety, efficiency, and user satisfaction.

The primary goal of human factors engineering is to reduce human error, increase productivity and system availability and enhance safety, health, and comfort with a specific focus on the interaction between the operator and equipment.

## Taking care of the people, so the people can drive productivity.

Proper ergonomic design is necessary to prevent repetitive strain injuries and other musculoskeletal disorders, which can develop over time and can lead to a long-term disability.

### COMMON MUSCULOSKELETAL INJURIES

1. Spinal injuries
2. Herniated disks
3. Hip and knee osteoarthritis
4. Chronic low back pain
5. Strains, sprains, and breaks

## Experience Counts.

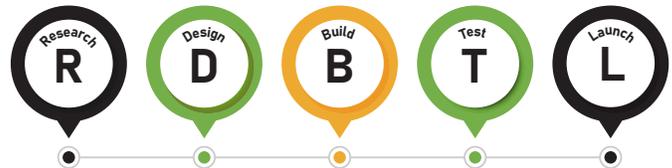
Whole-body vibrations exposure, micro concussions, back pain and spinal injury pathways, on-farm ergonomics, human-vehicle interface in agricultural environments, exoskeletons, workplace process observations, mixed methods statistical analysis, structured and semi-structured interview and qualitative studies.

### HOW IT WORKS.

1. **Analyze human characteristics:** Consider how people think, feel, and behave.
2. **Design for safety:** Design systems to minimize the risk of error and maximize safety.
3. **Test with users:** Involve testing the system with users to get feedback and identify areas for improvement.
4. **Refine the design:** Use feedback from user testing to refine the design throughout the design process.

### WHY IT'S IMPORTANT.

1. **Improved Safety:** Reduce human error in high risk scenarios to prevent accidents caused by poor design.
2. **Enhance Productivity:** Optimize workflow by reducing steps and making interactions intuitive.
3. **Boost Satisfaction:** Create user-friendly machines that enhance usability and accessibility.
4. **Enhance Efficiency:** Minimize fatigue and stress by designing ergonomically sound workspaces.
5. **Support Innovation:** Lead to better adoption of new technologies by ensuring ease of use.



**DENA BURNETT, PhD, PAg, PEng**  
Project Lead, PAMI



- Post-Doctoral Fellow, School of Rehabilitation Science and Canadian Centre for Health & Safety in Agriculture College of Medicine
- PhD, Biomedical Engineering
- MSc, Biomedical Engineering
- BE, Agricultural and Bioresource Engineering
- BSA, College of Agriculture-Animal Sciences
- Lead & Primary Technical Resource for "Take a break from the Shake" - Agrivita Canada AgriSafety Program

*"Canadian agricultural workers have the highest rate of injury across all types of workers in Canada and are at the highest predisposition for musculoskeletal injury and disease. There is a lot of opportunity to create safer environments at the source where the human interacts with the machine."*





## Develop the Process.

The Crop Processing Development Centre is a large, adaptable facility, purpose-built to provide essential space for assembling and testing individual pieces of equipment, custom products, pilot-scale processes, or full-scale developed processes—all without disrupting ongoing production in the companies' main facilities. This setup is especially valuable for those engaged in value-added agriculture processing, where raw agricultural products are transformed to significantly increase their value. This could include turning raw grains into flours, oils, proteins, or other ingredients that cater to specialized consumer needs, boosting profitability and expanding product offerings.

## Sample Applications.

- Processing Testing, Validation, and Optimization
- Commercial-Scale Processing Campaigns (500 kg/hr to 1MT/hr)
- Batch Processing of Materials
- De-hulling and Cleaning for Residue Testing
- Mixing Studies
- Essential Oil Extraction
- Milling and Drying
- Custom Products Like Animal Feed, Fertilizer or Flour Blends
- Granulation, Cubing and Pelleting

## How Can PAMI Help?

- Project Management
- Process Development & Modeling
- Equipment Investigation & Sourcing
- Equipment Testing
- Material Handling
- Process Scale-Up & Optimization
- Processing
- Labour & Resourcing
- Engineering & Shop Support
- Detailed Reporting
- Transportation & Logistics
- Certification & Document Support

## De-Risk and Scale up!

By leveraging the CPDC, companies can advance their research and development activities without impacting their current production workflow. This allows for rigorous testing and fine-tuning of new products and processes in a dedicated, risk-free environment. Once the equipment, product, or process is validated and refined within the CPDC, clients can confidently implement these innovations into their existing operations, ensuring a seamless integration of value-added processing strategies that enhance both product quality and market potential.

## Facility Features.

*Our flexible facility offers a wide range of processing equipment for use. Customize your experience based on your needs - let us handle the rest.*

- Heated processing facility (70' x 185')
- Extreme Environmental Chamber On-site (-35 degrees to +60 degrees)
- Fabrication Machine Shop for Immediate Process Modifications
- 600V and 208V Three-Phase Electrical with VFD Controls
- 60hp, 250psi Boiler for Process
- Steam Generation
- Dust Control System
- Storage Bins On-site
- Material Handling & Processing Equipment
- Pellet Mill
- Cuber
- Air Classifying Mill
- Hammermill
- Belt Dryer
- Dehuller
- Mixer
- Essential Oil Extractor
- Hoppers & Conveyors



Our talented employees work shoulder to shoulder with you to bring your vision to reality - from start to finish. We never retain Intellectual Property. That's yours to keep.



# WETLANDS RESEARCH OUTCOME IMMENSELY GRATIFYING FOR ALL INVOLVED.



In the wake of new precision agriculture technology, tried and true hypotheses can be validated, amended, and in some cases dismissed with the ability to collect increasingly accurate and accessible measurement. With on-board computers measuring inputs, coverage areas, and yields in real time, the daunting task is no longer the collection of information, it's the sifting, sorting, and application of the data to prove or disprove long held premises about crop growth.

When it comes to wetland drainage in the Prairie Pothole Region (PPR), the equation has been that drainage increases arable land area and consequently has benefitted farms in all situations. The pothole wetlands have also provided nesting areas for birds and habitat for a variety of wildlife. Drainage over the years has had an impact on downstream ecology and land use, resulting in occasional disputes and negative agricultural and economic results.

Attempting to gather and use data from onsite testing and reporting, a team of agriculture specialists set out to determine the economic benefits of agricultural drainage in the PPR with an eye on the sensitivity to local and regional environmental spheres because of it. The result was a peer reviewed paper published in *Agricultural Systems* (January 2025). The article "Agronomic and economic effects of wetlands on crop yields using precision agriculture data" sets out to estimate the effects of wetlands and their buffer zones on crop yields, farm financial performance, and incentives for wetland drainage in the Prairie Pothole Region.

Gary Bergen, Technical Services Lead for PAMI, was one of the key contributors to the project. He detailed the painstaking analysis done to provide modelling for the outcome based on data collected by co-contributor Etienne Shupena-Soulodre from Saskatchewan's Water Security Agency. For the two, the publication was the culmination of much investigation and process application to come up with a conclusion that has been sidestepped in other literature, but never directly documented. Not only was the publication of the findings a source of deep personal satisfaction for both partners, but it was also about the potential impact for producers in accurately assessing the benefits of drainage that provided a sense of pride. The paper marked a critical contribution to raw science, applied agronomics, and financial considerations for producers moving forward.

Gary's role was to apply the methodology and perform the analysis on the mountains of available precision agricultural yield data. That data was provided by farmers and by associates from equipment and technology providers in the ag industry. Etienne was tasked with collecting additional information from farmers on their drainage practices, seeding records, and other pertinent information.

"While we were anticipating some outcomes, we were wondering what the magnitude of a given effect was. I would say our 'A HA' moment was getting that key insight – recognizing that wetland yield effects significantly increase the profit from drainage."

More to the point, Bergen said that to pinpoint an exact dollar benefit for the farmer for a soil type and crop detail within a defined buffer zone was a clear "bell ringer."

It takes little imagination to understand that an increased acreage with land recovered by drainage would mean more money for farmers. What piqued the curiosity of researcher Etienne Shupena-Soulodre was the impact in the buffer zone – the 50 metre perimeter around the drainage area.

"What's unique in this study is that we look at the 'bathtub ring' of an area around wetlands where they lose some crop. This can be due to salinity; this can be flooding. It's potentially

a number of things. What the study was able to show was how important that gain is in the buffer zone around the wetland when you drain. That's unique – we really didn't find evidence of that published anywhere before.”

The groundbreaking nature of the findings pushed the boundaries of understanding wetlands recovery in crop production and began to put a precise indication of economic value critical for production increase. Add to that the consistency of the effect across various crops, from cereals to peas and their sensitivity to moisture, and the research team saw the latitude of the application for farmers.

In addition to the findings on buffer zone production, the study looked at efficiencies that drainage provided to distances covered during seeding, spraying, and harvesting. These findings could potentially lead to reductions in input costs caused by excessive overlapping. Again, the hard targeted numbers validated some practices, while also bringing the costs into more specific relief.

Bergen cautions that the nature of working with large data sets and with information that may be dependent on singular instances of weather, soil makeup, and yield variation can leave some conclusions open to interpretation. The victory, Bergen says, is in the development of a methodology that allows a way of using the data to draw consistent conclusions, as accurate as they can be, given the chaos of variable effects. While Bergen is excited about the findings, he's also aware that there is more to be done.

“The research applies to the area we were in, as far as the characteristics of the potholes and soil types, but we have to be careful about applying that too broadly. I would expect there are similar trends, but there's a need to take things further.”

The ability to continuously gather new data and apply sound methodologies for interpretation has evolved and will continue to do so with the publication of the work. Shupena-Soulodre recalls his early days of gaining an understanding about drainage and its impacts.

One of the first landowners who ushered Shupena-Soulodre into an understanding about the importance of drainage practices was Rick Poirier who farmed near Bellegarde in the province's southeast.

“He took me around when I was fresh out of school, and he showed me how they drained and why. What was interesting was such even production across the field where they'd done the drainage. I remember at the time, there was something really important here, but we couldn't quite demonstrate it in the data.”

Because none of the scientific literature at the time was able to reflect what Poirier and Shupena-Soulodre were seeing, they couldn't pin down a specific economic impact beyond the sense of improved yield and similar qualities. Etienne admits that it has taken a long time for data collection to have become advanced enough for Bergen's methodology to take hold and clarify the effects Rick Poirier had shown through observation years earlier.

“What I actually feel is a sense of completion and gratitude that Rick was able to show me something so important, and almost 20 years later, we're able to document that because the new technology and modernization of the ag industry are able to demonstrate this thing that Rick knew all along.”



There is a sense of circular closure, which is immensely satisfying, admits Etienne. However, like Bergen, he knows that the science will lead to more questions and more innovative approaches to different regions and situations. Making connections with producers like Rick Poirier and sharing the findings with them is also immensely gratifying, Shupena-Soulodre says.

While the weight of the research leans toward quantifying the economic benefits of land drainage for farmers, that's not to say that the need for retaining wetlands for ecological interests has been lost. Putting more precise values for farmers considering drainage adds incentive, but it also allows a clear frame of reference when it comes to making decisions about preserving wetlands.

Bergen says one of the key findings was to negate the idea that yields from drained wetland areas would be uniform with the rest of the field. There were yield increases within the buffer zone of the wetlands demonstrated, but lower yields in the pothole areas themselves were consistently demonstrated. Those numbers are critical in weighing the balance for producers and policy makers striving for balance between economics and ecology.



“I don’t want to imply that we should just go ahead and drain everything because there’s economic benefit, but we need those facts in place if we are going to address the broader issues. When we put the data and statistics to work, and we are open and honest about it, and it’s peer reviewed, we have numbers that don’t have a political agenda.”

“Trying to work with government and stakeholders from a variety of sides and trying to come up with good approaches that satisfy everyone’s interests is complex. There are tradeoffs. However, having a good understanding of those tradeoffs, say in terms of economics, you explore what gains or efficiencies are made, is really important for these conversations. Once you have people working from a common set of facts, then they can really work together to find solutions.”

With unproven suppositions gone, and with data and formulas that can be applied to a broadening band of geographic regions and topographical scenarios, solid conclusions are possible for that wide range of stakeholders. The resulting paper also comes with an approval stamp from a broad cross-section of experts and institutions. The publication of the research was accomplished with the cooperation of the University of Saskatchewan, University of Alberta, the Water Security Agency, and PAMI.

In the final analysis, the payoff will continue to unfold. For both Bergen and Shupena-Soulodre, whose hearts and souls have gone into the data gathering and uncovering revelations through novel processes, the satisfaction has been immense. That is the approach that PAMI, the WSA, and scientific researchers put into the work, a burgeoning curiosity and an eye to the potential outcome for new applications.

“My colleagues at PAMI and myself, with the WSA, we tend to work in the applied space a lot,” Etienne explains. “We work with landowners and industry with policies or technical issues. For us to have produced a piece of work that’s significant enough for partnered academics, like Patrick Lloyd-Smith (of USask) to seek to work with us, it really hits home how important this work is, how much it clarifies.”

Those feelings are about intrinsic motivation and a sense of “mission accomplished” for the collaborators. However, the beat goes on as the ripples from the project have just begun. PAMI has presented the findings at several major water management and engineering conferences already. The modeling will continue to be applied in more geographic areas, with more crop varieties, and with precise economic outcomes driving conservation incentives. The platform has been built; now the arching applications and stacking benefits will take shape through time.



# MANAGEMENT REPORT

To the Members of the Legislative Assembly of Saskatchewan:

Year Ended March 31, 2025

The accompanying financial statements are the responsibility of the management of the Prairie Agricultural Machinery Institute. They have been prepared in accordance with Canadian public sector accounting standards, using management's best estimates and judgments, where appropriate. Management is responsible for the reliability and integrity of the financial statements, the notes to the financial statements, and other financial information contained in this report. Management is also responsible for maintaining a system of internal controls, policies, and procedures designed to provide reasonable assurance that assets are safeguarded and the accounting systems provide accurate and reliable financial information. The Board of Directors is responsible for ensuring that management's responsibilities are properly discharged to review and approve the financial statements. The Provincial Auditor of Saskatchewan has audited PAMI's financial statements in accordance with Canadian generally accepted auditing standards and their report follows.



**Paul Buczkowski**  
President & CEO  
Prairie Agricultural Machinery Institute



**PRAIRIE AGRICULTURAL MACHINERY INSTITUTE  
FINANCIAL STATEMENTS**

**For the Year Ended March 31, 2025**



## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

### Opinion

We have audited the financial statements of the Prairie Agricultural Machinery Institute, which comprise the statement of financial position as at March 31, 2025, and the statement of operations and accumulated surplus, statement of remeasurement gains and losses, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Prairie Agricultural Machinery Institute as at March 31, 2025, and the results of its operations, its remeasurement gains and losses, 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 Prairie Agricultural Machinery Institute 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 Information

Management is responsible for the other information. The other information comprises the information included in the 2024-25 annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### 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 for Treasury Board's approval, 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 Prairie Agricultural Machinery Institute'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 Prairie Agricultural Machinery Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Prairie Agricultural Machinery Institute'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 Prairie Agricultural Machinery Institute'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 Prairie Agricultural Machinery Institute'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 Prairie Agricultural Machinery Institute 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 identified during the audit.

Regina, Saskatchewan  
July 8, 2025

Tara Clemett, CPA, CA, CISA  
Provincial Auditor  
Office of the Provincial Auditor

## Prairie Agricultural Machinery Institute

## STATEMENT OF FINANCIAL POSITION

As at March 31, 2025

	<u>2025</u>	<u>2024</u>
<b>Financial Assets</b>		
Cash (Bank Indebtedness) (Note 3)	\$ (286,059) \$	130,080
Due from General Revenue Fund (Note 4)	53	104,807
Accounts receivable (Note 5)	2,181,406	2,565,566
	<u>1,895,400</u>	<u>2,800,453</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	580,515	541,917
Deferred revenue	339,708	605,234
	<u>920,223</u>	<u>1,147,151</u>
<b>Net Financial Assets (Statement 4)</b>	<b>975,177</b>	<b>1,653,302</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 1)	6,280,882	6,595,150
Prepaid expenses	252,379	427,508
	<u>6,533,261</u>	<u>7,022,658</u>
<b>Accumulated Surplus</b>		
Accumulated operating surplus (Statement 2)	7,508,391	8,675,903
Accumulated remeasurement gains (Statement 3)	47	57
	<u>7,508,438</u>	<u>8,675,960</u>
	<u>\$ 7,508,438 \$</u>	<u>8,675,960</u>

Contractual obligations (Note 11)

Contractual rights (Note 12)

Contingent liabilities (Note 14)

(See accompanying notes and schedules to the financial statements)

## Prairie Agricultural Machinery Institute

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
For the year ended March 31, 2025

	Budget (Note 10)	2025	2024
<b>Revenue (Note 13)</b>			
Provincial Transfers:			
Government of Saskatchewan			
Ministry of Agriculture			
- operating	\$ 1,000,000	\$ 1,500,000	\$ 1,000,000
Government of Manitoba			
Department of Agriculture, Food and Rural Development			
- operating	333,000	333,000	333,000
	1,333,000	1,833,000	1,333,000
Fee for service	5,782,833	3,232,682	5,106,226
Prairies Economic Development Canada	-	-	1,100,000
Other income	-	2,958	205,747
Interest income	15,000	22,234	26,536
Gain on sale of assets	-	9,683	-
<b>Total revenue</b>	<b>7,130,833</b>	<b>5,100,557</b>	<b>7,771,509</b>
<b>Expenses</b>			
Personnel	3,814,528	3,182,712	2,580,162
Fee for service direct costs	867,425	428,193	941,076
Administration (Schedule 2)	1,297,218	1,296,321	1,742,864
Operating (Schedule 2)	654,264	864,188	717,086
Amortization	600,000	500,838	454,009
Lease land and equipment	-	6,881	8,242
Bad debt	200,000	(11,064)	575,889
Loss on sale of assets	-	-	152,124
Other expense	-	-	417,141
<b>Total expenses</b>	<b>7,433,435</b>	<b>6,268,069</b>	<b>7,588,593</b>
<b>Operating surplus (deficit) for the year</b>	<b>\$ (302,602)</b>	<b>\$ (1,167,512)</b>	<b>\$ 182,916</b>
Accumulated operating surplus, beginning of year		\$ 8,675,903	\$ 8,492,987
<b>Accumulated operating surplus, end of year (Statement 1)</b>		<b>\$ 7,508,391</b>	<b>\$ 8,675,903</b>

(See accompanying notes and schedules to the financial statements)

## Prairie Agricultural Machinery Institute

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**For the year ended March 31, 2025**

	<u>2025</u>	<u>2024</u>
Accumulated remeasurement gains (losses), beginning of year	\$ 57	\$ (4,751)
Unrealized gains attributable to foreign exchange	\$ 47	\$ 57
Amounts reclassified to the statement of operations	\$ (57)	\$ 4,751
Net remeasurement gains (losses) for the year (Statement 4)	\$ (10)	\$ 4,808
<b>Accumulated remeasurement gains, end of year (Statement 1)</b>	<b>\$ 47</b>	<b>\$ 57</b>

(See accompanying notes and schedules to the financial statements)

## Prairie Agricultural Machinery Institute

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
For the year ended March 31, 2025

	<u>Budget</u>	<u>2025</u>	<u>2024</u>
	(Note 10)		
<b>Operating surplus (deficit) for the year (Statement 2)</b>	\$ (302,602)	\$ (1,167,512)	\$ 182,916
(Acquisition) of tangible capital assets	-	(216,863)	(1,011,409)
Amortization of tangible capital assets	600,000	500,838	454,009
Proceeds of disposal of tangible capital assets	-	39,976	5,510
Net loss (gain) on the disposal of tangible capital assets	-	(9,683)	144,858
<b>Net consumption of tangible capital assets</b>		<u>314,268</u>	<u>(407,032)</u>
(Acquisition) use of prepaid expenses		<u>175,129</u>	<u>(354,128)</u>
<b>Net (acquisition) consumption of other non-financial assets</b>		<u>175,129</u>	<u>(354,128)</u>
Net remeasurement (losses) gains for the year (Statement 3)		<u>(10)</u>	<u>4,808</u>
<b>Increase (decrease) in Net Financial Assets</b>		<b>(678,125)</b>	<b>(573,436)</b>
<b>Net Financial Assets, beginning of year</b>		<u>1,653,302</u>	<u>2,226,738</u>
<b>Net Financial Assets, end of year (Statement 1)</b>		<b>\$ 975,177</b>	<b>\$ 1,653,302</b>

(See accompanying notes and schedules to the financial statements)

## Prairie Agricultural Machinery Institute

**STATEMENT OF CASH FLOWS**  
**For the year ended March 31, 2025**

	<u>2025</u>	<u>2024</u>
<b>Cash flows (used in)/provided from operating activities:</b>		
Receipts from customers and others	\$ 3,896,382	\$ 5,799,650
Prairies Economic Development Canada	-	1,100,000
Transfers from Government of Saskatchewan	1,000,000	1,090,000
Transfers from Government of Manitoba	333,000	333,000
Interest received	30,072	26,536
Payments to suppliers and employees	<u>(5,603,460)</u>	<u>(7,853,707)</u>
	(344,006)	495,479
<b>Cash flows (used in)/provided from capital activities:</b>		
Purchase of tangible capital assets	(216,863)	(1,011,409)
Proceeds from sale of tangible capital assets	39,976	5,510
	<u>(176,887)</u>	<u>(1,005,899)</u>
(Decrease) in cash position	(520,893)	(510,420)
Cash position, beginning of year	<u>234,887</u>	<u>745,307</u>
Cash position, end of year	<u>\$ (286,006)</u>	<u>\$ 234,887</u>
<b>Comprised of:</b>		
Due from General Revenue Fund	53	104,807
Cash	415	130,080
Bank Indebtedness	<u>(286,474)</u>	<u>-</u>
	<u>\$ (286,006)</u>	<u>\$ 234,887</u>

(See accompanying notes and schedules to the financial statements)

**PRAIRIE AGRICULTURAL MACHINERY INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2025**

**1. Status of Institute**

The Prairie Agricultural Machinery Institute (Institute) is a corporate body operating under *The Prairie Agricultural Machinery Institute Act, 1999*. Its primary purpose is to perform tests and conduct research on machinery, equipment and technologies used in the agriculture, mining and transportation industries. The Institute's testing facilities are located in Humboldt, Saskatchewan and Portage la Prairie, Manitoba.

On wind-up, any net assets will be divided between the Governments of Saskatchewan and Manitoba in proportion to their respective share in the Institute's assets equivalent to the percentage of funding provided to date by each province.

The Institute's objective when managing its capital structure, which consists of net assets, is to ensure adequate funding exists to support its operations and growth strategies. Capital is managed through grant funding and a \$850,000 revolving line of credit. The Institute does not have any long-term debt.

The Institute relies primarily on funding from customers, which generally represents 63% of its revenue with the remainder coming from the Government of Saskatchewan, and the Government of Manitoba.

**2. Significant accounting policies**

Pursuant to standards established by the Canadian Public Sector Accounting Board (PSAB), the Institute is classified as an 'other government organization'. These financial statements are prepared in accordance with Canadian Public Sector Accounting standards (CPSA). The significant accounting policies are as follows:

a) Financial assets

Financial assets are non-physical assets whose value is derived from a contractual claim. They are used to discharge existing liabilities or finance future operations. Valuation allowances are used where necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and cash equivalents consists of cash on hand (USD and CAD currencies) and all monies accessible within accounts with the Institute's partnering financial institution.

Accounts receivable consist of receivables from customers (trade accounts) and other receivables. These values are recorded at cost less an allowance for doubtful accounts (if a vendor account is deemed to be a credit risk or collection may be unlikely).

b) Non-financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the Institute unless they are sold. Tangible capital assets and other non-financial assets are accounted for as assets by the Institute because they can be used to provide services in future periods. Tangible capital assets are recorded at cost less accumulated amortization. Self-constructed assets are recorded at cost, including labour and materials. Amortization is recorded using methods and rates intended to amortize the cost of assets over their estimated useful life.

	<u>Method</u>	<u>Rate</u>
Buildings	declining balance	5%
Equipment, furniture, and vehicles	declining balance	10%
Test equipment	declining balance	30%
Computer equipment	declining balance	30%
Leasehold improvements	declining balance	10%
Computer software	straight line	33%

Prepaid expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods.

c) Financial Instruments

The Institute's financial instruments include cash, Due from General Revenue Fund, line of credit, accounts receivable, accounts payable and accrued liabilities, and deferred revenue. These instruments are recorded at cost or amortized cost. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. Except as otherwise disclosed the Institute is not exposed to significant credit, currency, interest or liquidity risk arising from these financial instruments that may affect the amount, timing and certainty of future cash flows.

d) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- an environmental standard exists
- contamination exceeds identified environmental standard
- the Institute is directly responsible or accepts responsibility
- the Institute expects that future economic benefits will be given up and
- a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operation, maintenance and monitoring

There is no liability for contaminated sites recognized at the end of 2024-2025.

e) Government Transfers

Government transfers are the transfers from government agencies and are not the result of any exchange transactions. There is no expectation to repay the amounts in the future unless the asset is earmarked for a specific purpose and funds are not applied or dispersed within a specified time frame. Government transfers are recognized in the fiscal year in which events giving rise to the transfer occur, providing the transfer is authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

f) Revenue Recognition

The Institute's operations are supported by the Government of Saskatchewan and the Government of Manitoba according to an agreement between the two provinces. Under Order in Council 1800/79, the Institute is not required to return the unused portion of the annual provincial transfers. The Institute recognizes provincial transfers when the transfer is authorized, and eligibility criteria have been met by the Institute.

The Institute recognizes fee for service revenue when the related services are provided. It recognizes fee for service on contracts using the percentage of completion method. It records monies received prior to providing services (prepayments) as deferred revenue.

All other income is recognized in the period when earned.

g) Expenses are reported on an accrual basis. The costs of services and goods incurred during the year are expensed.

h) Foreign Currency Translation

Monetary and non-monetary assets and liabilities prior to settlement that are denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the date the transaction is settled and are recorded in the Statement of Remeasurement Gains and Losses.

In the period of settlement, the cumulative amount of the remeasurement gains and losses are reversed in the Statement of Remeasurement Gains and Losses and an exchange gain or loss is recognized in the Statement of Operations and Accumulated Surplus. Revenue and expense transactions are translated at the exchange rate in effect for that date as per the Bank of Canada posted foreign exchange rate and are included in the determination of net income for the period.

i) Measurement Uncertainty

The preparation of financial statements, in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities. These estimates may also affect the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are recorded after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided when an amount is deemed to be highly unlikely to be collectable.

Accounts receivable includes fee for service revenue on contracts based on an estimate of the percentage of completion at the time of measurement. The measurement of materials and supplies are based on estimates of volume and quality. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they are known.

The degree of uncertainty associated with the measurement of estimated amounts recognized in the financial statements is not material.

j) New Accounting Standards

The following new accounting standards will come into effect as of the date indicated below:

- The Conceptual Framework for Financial Reporting in the Public Sector – April 1, 2026
- PS 1202 Financial Statement Presentation – April 1, 2026

The Institute is still assessing the impact on the financial statements.

### 3. Cash and Line of Credit

As at year-end, the Institute was utilizing its operating line of credit, resulting in a bank overdraft position.

The company has an authorized revolving line of credit with Royal Bank of Canada in the amount of \$850,000, bearing interest at Prime + 0.00% per annum, payable monthly. The facility is secured by all accounts receivable.

The line of credit is subject to certain non-financial covenants, including:

- Annual audited financial statements.

As at March 31, 2025, the company had drawn \$286,474 (2024 - \$Nil) on the line of credit, which is presented as bank indebtedness on the statement of financial position.

### 4. Due from General Revenue Fund

Due from General Revenue Fund is money held in a bank account included in the Government of Saskatchewan's Consolidated Offset Bank Concentration arrangement. The Institute receives interest on a quarterly basis from the General Revenue Fund calculated using the Government of Saskatchewan's thirty-day borrowing rate and the Institute's average daily bank account balance. For 2025, the average interest rate was 4.05% (2024 – 4.89%). March 31, 2025 balance is \$53.

### 5. Accounts Receivable

<b>Accounts Receivable Summary</b>	<b>2025</b>	<b>2024</b>
Trade Accounts Receivable	\$1,281,127	\$2,524,149
Other	900,279	41,417
<b>Accounts Receivable Totals</b>	<b>\$2,181,406</b>	<b>\$2,565,566</b>

\$388,447 of this balance is overdue more than 61 days. Management has assessed all receivables and created an allowance for doubtful accounts for specifically identified balances totalling \$44,539 (2024 – \$102,356).

### 6. Accounts payable and accrued liabilities

<b>Accounts Payable and Accrued Liabilities Summary</b>	<b>2025</b>	<b>2024</b>
Trade Accounts Payable	\$404,134	\$329,891
Wages and Other Personnel Costs	237,466	223,850
Other	(61,085)	(11,824)
<b>Accounts Payable Totals</b>	<b>\$580,515</b>	<b>\$541,917</b>

### 7. Related party transactions

This financial statement includes transactions with related parties. The Institute is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. The Institute is also related to all Manitoba Crown agencies because of the Government of Manitoba's participation in the operations of the Institute. In addition, the Institute is related to non-Crown enterprises that the Government of Saskatchewan or the Government of Manitoba jointly controls. Related parties also includes key management personnel of the Institute.

Routine operating transactions with related parties are recorded at the agreed upon rates and are settled on normal trade terms.

The Institute provides fee for service projects for the Government of Manitoba at a lower rate than its normal fee for service rates. Total fee for service revenue recorded for these projects in 2025 was \$315,339 (2024 - \$415,998).

## 8. Pensions

The Institute's employees participate in the Saskatchewan Public Employees' Pension Plan, a multi-employer defined contribution pension plan. Pension benefits are based on accumulated contributions and investment earnings. The Institute's responsibility is limited to paying the required employer contributions of 6% of regular salaries. In 2025, the Institute made contributions of \$152,257 (2024 - \$57,973) which are funded from current operations.

## 9. Financial risk management

Risks have been identified and the Institute ensures that management monitors and controls them. The significant financial risks to which the Institute is exposed are:

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Institute is exposed to credit risk on accounts receivable from its customers. In order to reduce its credit risk, the Institute applies sound credit practices. A process of mitigating risk is obtaining a down payment from each customer prior to commencing a new project. The Institute incurred insignificant bad debt expense during the past five years.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk is comprised of currency risk and interest rate risk.

### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Institute is exposed to currency risk on its cash, accounts receivable, and accounts payable. The Institute does not use any derivative financial instruments to alter the effects of this risk.

The Institute enters into transactions denominated in USD for which the related revenues, expenses, accounts receivable and accounts payable balances are subject to exchange rate fluctuations. As at March 31, 2025 the following items are denominated in United States currency (CAD converted at \$1 USD – 1.4376 CAD (2024 – 1.3574 CAD)):

<b>USD Denomination</b>	<b>2025</b>	<b>2024</b>
Cash	\$6	\$197
Accounts Payable	2,400	22,579
<b>USD Denomination Totals</b>	<b>\$2,406</b>	<b>\$22,776</b>

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate

because of changes in market interest rates. The Institute's exposure to interest rate risk is limited to the line of credit and trade payables. The interest rate on this debt is variable; therefore, the Institute may face increasing interest costs in an increasing interest rate market.

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Institute's exposure to liquidity risk is dependent on the receipt of funds from its operations, external borrowings and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements and are considered adequate to meet the Institute's financial obligations.

### 10. Budget

The budget for 2024/2025 was approved by the Board on March 12, 2024. The budget figures are presented for comparison purposes.

### 11. Contractual obligations

Lease terms on equipment range from 1 month to 3 years. In 2025, these lease costs totaled \$6,881 (2024 – \$8,242). In 2023, the Institute also entered into a service agreement with an external provider for monthly IT service support. The contract cost totaled \$76,002 in the year and contract term ended on March 1, 2025. The Institute is required to make the following minimum payments on various contracts that expire in 2028:

2026	\$6,808
2027	\$4,134
2028	\$125

### 12. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The Institute's contractual rights arise because of contracts entered for fee for service revenue and government grant revenue. The following table summarizes the contractual rights of the Institute:

Contractual Rights	2026	2027	2028	Total
Research & Development	\$236,860	\$135,236	\$-	\$372,096
Ag Services	341,116	-	-	341,116
Transportation	144,483	1,233	-	145,716
Mining	209,776	-	-	209,776
Government Grants	-	1,000,000	1,000,000	2,000,000
<b>Contractual Rights Totals</b>	<b>\$932,235</b>	<b>\$1,136,469</b>	<b>\$1,000,000</b>	<b>\$3,068,704</b>

### 13. Recurring and Non-recurring Revenue

Provincial transfer revenue represents recurring revenue earned by the Institute from operating grants from the Government of Saskatchewan and the Government of Manitoba.

Fee for service revenue represents non-recurring revenue from projects completed for customers.

Prairies Economic Development Canada and Capital grant revenue represents non-recurring grant revenue.

**14. Contingent Liabilities**

The Institute is involved in two legal actions, the outcome of which are not determinable.

**PRAIRIE AGRICULTURAL MACHINERY INSTITUTE**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
 As at March 31, 2025

	Asset Cost					Accumulated Amortization					Net Book Value 2025	Net Book Value 2024
	Opening Balance	Additions	Disposals and Adjustments	Transfers	Closing Balance	Opening Balance	Disposals and Adjustments	Amortization	Closing Balance			
Land and Improvements	\$342,607	\$ -	\$ -	\$ -	\$342,607	\$ -	\$ -	\$ -	\$ -	\$342,607	\$342,607	
Buildings	5,983,954	37,335	-	4,126	6,025,415	-	-	95,918	4,193,602	1,831,813	1,886,270	
Equipment	6,246,129	67,018	(61,777)	-	6,251,370	(31,484)	-	311,292	3,426,155	2,825,215	3,099,782	
Office Furniture and Equipment	5,417	-	-	-	5,417	-	-	90	4,603	814	904	
Leasehold Improvements	623,010	-	-	-	623,010	-	-	39,698	265,726	357,284	396,982	
Test Equipment	2,416	-	-	-	2,416	-	-	231	1,878	538	769	
Vehicles	365,474	-	-	-	365,474	-	-	5,669	314,453	51,021	56,690	
Computer Equipment	226,583	107,550	-	-	334,133	-	-	44,515	180,111	154,022	90,987	
Computer Software	201,626	4,960	-	-	206,586	-	-	3,425	203,038	3,548	2,013	
Asset Under Construction	718,146	-	-	(4,126)	714,020	-	-	-	-	714,020	718,146	
<b>Total</b>	<b>\$14,715,362</b>	<b>\$216,863</b>	<b>\$(61,777)</b>	<b>\$ -</b>	<b>\$14,870,448</b>	<b>\$(31,484)</b>	<b>\$500,838</b>	<b>\$8,589,566</b>	<b>\$6,280,882</b>	<b>\$6,280,882</b>	<b>\$6,595,150</b>	

## Prairie Agricultural Machinery Institute

## SCHEDULE OF OPERATING AND ADMINISTRATION EXPENSES

For the year ended March 31, 2025

	<u>Budget</u>	<u>2025</u>	<u>2024</u>
	(Note 10)		
<b>Administration</b>			
Bank Charges and Interest	12,000	40,058	43,230
Board of Director's Expense	10,000	2,363	1,562
Exchange (Gain) Loss	10,000	4,337	29,528
Contracted Services	323,253	341,213	795,972
Insurance	276,000	266,994	282,409
Marketing	225,880	160,129	143,405
Memberships & Subscriptions	25,468	14,887	27,964
Postage and Miscellaneous	-	7,663	20,136
Professional Fees	20,000	11,144	12,748
Property Taxes	90,000	83,618	83,338
Training and Other Compensation	51,450	38,644	27,612
Travel and Meals	37,167	80,461	73,797
Utilities	216,000	244,810	201,163
<b>Total Administration (Statement 2)</b>	<b>1,297,218</b>	<b>1,296,321</b>	<b>1,742,864</b>
<b>Operating</b>			
IT Expense	295,064	427,192	378,236
Office	48,200	20,789	25,687
Repairs & Maintenance	228,500	296,771	134,343
Supplies	70,000	114,890	144,502
Vehicle Expenses	12,500	4,546	34,318
<b>Total Operating (Statement 2)</b>	<b>654,264</b>	<b>864,188</b>	<b>717,086</b>



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