

GRAIN DEALERS ACT (EXCERPT)
Act 141 of 1939

285.69 Application for license or renewal; financial statement.

Sec. 9.

(1) A grain dealer shall include with an application for a license or renewal a financial statement for the grain dealer's most recent completed fiscal year. The financial statement shall be a reviewed or audited financial statement, prepared by a certified public accountant in accordance with generally accepted accounting principles. The end of the grain dealer's most recent completed fiscal year shall be within 6 months of the expiration date of the grain dealer's current license. The financial statement shall include at least all of the following:

(a) An accountant's report, a balance sheet, an income statement, and notes and disclosures.

(b) A statement of the grain dealer's allowable net assets for purposes of section 3.

(c) A statement from the certified public accountant that he or she acknowledges that the department is relying on the financial statement in determining whether the grain dealer meets the allowable net asset requirement under section 3(3).

(2) If a financial statement described in subsection (1) discloses that the grain dealer during the preceding fiscal year had a current asset to current liability ratio of less than 1 to 1, the licensee shall include with the application a plan and timetable to increase the current asset to current liability ratio to 1 to 1 or more.

(3) If a financial statement described in subsection (1) is a financial statement of the licensee's parent corporation or a consolidated financial statement of the licensee and its parent corporation, the application shall include a declaration of liability signed by an authorized representative of the parent corporation, by which the parent corporation assumes all financial obligations incurred by the licensee during the term of the license.

History: 1939, Act 141, Eff. Sept. 29, 1939 ;-- CL 1948, 285.69 ;-- Am. 1963, Act 180, Eff. Sept. 6, 1963 ;-- Am. 1976, Act 259, Imd. Eff. Aug. 12, 1976 ;-- Am. 1979, Act 206, Imd. Eff. Jan. 8, 1980 ;-- Am. 2002, Act 80, Eff. Mar. 31, 2003 ;-- Am. 2016, Act 263, Eff. Sept. 26, 2016