

OFFICE OF THE INFORMATION AND PRIVACY COMMISSIONER

FINANCIAL STATEMENTS

For the Year Ended March 31, 2016



INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Office of the Information and Privacy Commissioner, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Information and Privacy Commissioner as at March 31, 2016, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
June 28, 2016

Judy Ferguson, FCPA, FCA
Provincial Auditor

Office of the Information and Privacy Commissioner
Statement of Financial Position
As at March 31

| | <u>2016</u> | <u>2015</u> |
|--|-------------------|------------------|
| Financial assets | | |
| Due from the General Revenue Fund | \$ 157,519 | \$ 27,193 |
| Accounts receivable | <u>5,242</u> | <u>8,000</u> |
| | <u>162,761</u> | <u>35,193</u> |
| Liabilities | | |
| Accounts payable | 143,837 | 24,552 |
| Accrued leave entitlements | <u>18,924</u> | <u>10,641</u> |
| | <u>162,761</u> | <u>35,193</u> |
| Net debt (Statement 3) | <u>-</u> | <u>-</u> |
| Non - financial assets | | |
| Tangible capital assets (Note 3) | 136,526 | 56,502 |
| Prepaid expenses | <u>7,625</u> | <u>1,979</u> |
| | <u>144,151</u> | <u>58,481</u> |
| Accumulated surplus (Statement 2) | <u>\$ 144,151</u> | <u>\$ 58,481</u> |
| Contractual obligations (Note 8) | | |

(See accompanying notes to the financial statements)

**Office of the Information and Privacy Commissioner
Statement of Operations and Accumulated Surplus
for the year ended March 31**

| | Budget (Note 4) | <u>2016</u> Actual | <u>2015</u> Actual |
|---|--------------------|-----------------------|-----------------------|
| Revenue | | | |
| General Revenue Fund appropriation | \$ 1,469,000 | \$ 1,528,820 | \$ 1,261,754 |
| Miscellaneous revenue | - | - | 945 |
| | <u>1,469,000</u> | <u>1,528,820</u> | <u>1,262,699</u> |
| Total Revenue | | | |
| Expenses | | | |
| Salaries and other employment expenses | 1,059,000 | 1,076,632 | 895,254 |
| Administration and operating expenses | 82,950 | 40,799 | 50,273 |
| Rental of space and equipment | 219,220 | 221,145 | 184,276 |
| Travel | 33,200 | 5,826 | 11,171 |
| Advertising and promotion | 11,870 | 3,729 | 3,661 |
| Amortization (Note 3) | - | 42,266 | 17,911 |
| Contractual and legal services | 62,760 | 52,233 | 65,805 |
| Loss on disposal of capital assets | - | 520 | 289 |
| | <u>1,469,000</u> | <u>1,443,150</u> | <u>1,228,640</u> |
| Total Expenses | | | |
| Operating surplus | \$ <u>-</u> | 85,670 | 34,059 |
| Accumulated surplus, beginning of year | | 58,481 | 24,422 |
| Accumulated surplus, end of year (Statement 1) | | <u>\$ 144,151</u> | <u>\$ 58,481</u> |

(See accompanying notes to the financial statements)

Office of the Information and Privacy Commissioner
Statement of Changes in Net Debt
for the year ended March 31

| | <u>2016</u> | <u>2015</u> |
|--|-----------------|-----------------|
| Operating surplus | \$ 85,670 | \$ 34,059 |
| Acquisition of tangible capital assets (Note 3) | (122,810) | (58,067) |
| Amortization of tangible capital assets (Note 3) | 42,266 | 17,911 |
| Loss on disposal of capital assets | 520 | 289 |
| | <u>(80,024)</u> | <u>(39,867)</u> |
| (Increase) decrease in prepaid expense | (5,646) | 5,808 |
| | <u>(85,670)</u> | <u>(34,059)</u> |
| Decrease (increase) in net debt | - | - |
| Net debt, beginning of year | - | - |
| Net debt, end of year (Statement 1) | <u>\$ -</u> | <u>\$ -</u> |

(See accompanying notes to the financial statements)

**Office of the Information and Privacy Commissioner
Statement of Cash Flows
for the year ended March 31**

| Cash from (used in) operating activities: | <u>2016</u> | <u>2015</u> |
|---|------------------------|------------------------|
| General Revenue Fund appropriation received | \$ 1,401,252 | \$ 1,255,959 |
| Miscellaneous revenue received | - | 945 |
| Salaries paid | (1,068,349) | (900,613) |
| Supplies and other expenses paid | <u>(210,093)</u> | <u>(298,224)</u> |
| Cash from operating activities | <u>122,810</u> | <u>58,067</u> |
| Cash used in capital activities: | | |
| Purchase of tangible capital assets (Note 3) | <u>(122,810)</u> | <u>(58,067)</u> |
| Cash used in capital activities | <u>(122,810)</u> | <u>(58,067)</u> |
| Increase (decrease) in cash and cash equivalents | - | - |
| Cash and cash equivalents, beginning of year | - | - |
| Cash and cash equivalents, end of year | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |

(See accompanying notes to the financial statements)

OFFICE OF THE INFORMATION AND PRIVACY COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
for the year ended MARCH 31, 2016

1. Authority and Description of Operations

The Freedom of Information and Protection of Privacy Act (Act) states that the Lieutenant Governor in Council, on the recommendation of the Assembly, shall appoint an Information and Privacy Commissioner. The Commissioner is an officer of the Legislative Assembly and is appointed by resolution. The mandate of the Office of the Information and Privacy Commissioner (Office) is to review Government decisions under the Act to ensure the protection of the public's right to access records held or controlled by the Government and to ensure that personal information is only collected, used and disclosed according to the manner and purposes set out in the Act.

2. Significant Accounting Policies

The Office uses Canadian public sector accounting standards to prepare its financial statements. These statements do not include a Statement of Remeasurement Gains and Losses as the Office has no activities that give rise to remeasurement gains or losses. As a result, the accumulated surplus is the same as its accumulated operating surplus. The following accounting policies are considered to be significant.

(a) Revenue

The Office receives an appropriation from the General Revenue Fund to carry out its work. General Revenue Fund appropriations are included in revenue when amounts are spent or committed.

(b) Tangible capital assets

Tangible capital assets are reported at cost less accumulated amortization. Tangible capital assets are amortized on a straight-line basis over a life of five years except computer software, which is amortized over three years.

(c) Sick leave benefit obligation

The Office has an obligation to record a sick leave benefit obligation based on accumulated employee sick leave entitlements. A liability for vesting or accumulating sick leave is recorded in the year the employee provides services in return for the sick leave benefits. This liability is only recorded if it is expected to be significant to the organization.

3. Tangible Capital Assets

| | 2016 | | | Total 2016 | Total 2015 |
|---------------------------------------|------------------------|--------------------------|---------------------------|-------------------|------------------|
| | Hardware & Software | Equipment & Furniture | Leasehold Improvements | | |
| Cost, April 1 | \$ 58,292 | \$ 153,157 | \$ 61,479 | \$ 272,928 | \$ 253,453 |
| Additions | 6,602 | 25,073 | 91,135 | 122,810 | 58,067 |
| Disposals | (110) | (721) | - | (831) | (38,592) |
| Cost, March 31 | <u>64,784</u> | <u>177,509</u> | <u>152,614</u> | <u>394,907</u> | <u>272,928</u> |
| Accumulated amortization, April 1 | 38,024 | 130,745 | 47,657 | 216,426 | 236,819 |
| Annual amortization | 9,292 | 11,222 | 21,752 | 42,266 | 17,911 |
| Adjustment for disposals | (22) | (289) | - | (311) | (38,304) |
| Accumulated amortization, March 31 | <u>47,294</u> | <u>141,678</u> | <u>69,409</u> | <u>258,381</u> | <u>216,426</u> |
| Net Book Value, March 31 | <u>\$ 17,490</u> | <u>\$ 35,831</u> | <u>\$ 83,205</u> | <u>\$ 136,526</u> | <u>\$ 56,502</u> |

OFFICE OF THE INFORMATION AND PRIVACY COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

4. Budget

These amounts represent funds approved by the Legislative Assembly to carry out duties under the Act. The Office's expenditures are limited to the amount appropriated to it by the Legislative Assembly.

The amount appropriated for the year was \$1,469,000. During the year, additional funding was requested to hire an outside consultant to assist with an investigation. On June 10, 2015, \$45,000 was recommended for approval by the Board of Internal Economy (Meeting #5/15). This amount was ultimately approved by the Standing Committee on House Services.

5. Lapsing of Appropriation

The Office follows *The Financial Administration Act, 1993* with regards to its spending. If the Office spends less than its appropriation by March 31, the difference is not available to acquire goods and services in the next fiscal year.

6. Costs Borne by Other Agencies

The Office has not been charged with certain administrative costs and employee benefit costs. These costs are borne by the Legislative Assembly and the Ministry of Finance. No provision for these costs is reflected in these financial statements.

7. Financial Instruments

The Office's financial instruments include Due from the General Revenue Fund, Accounts receivable, Accounts payable and Accrued leave entitlements. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no significant interest rate or credit risk.

8. Contractual Obligations

On April 1, 2016 the Office signed a new lease covering the period April 1, 2016 to March 31, 2021. Annual commitments under the signed lease agreement, before escalation are \$226,512.

9. Pension Plan

The Office participates in a defined contribution pension plan for the benefit of its employees. The Office's financial obligation of the plan is limited to making payments of 5% of employees' salaries for current service.