

**Report to the
Legislative Assembly of Saskatchewan
on the 2005 Financial Statements of
CIC Crown Corporations and Related
Entities**

April 2006



Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Telephone: (306) 787-6398
Fax: (306) 787-6383

E-mail: info@auditor.sk.ca
Web site: <http://www.auditor.sk.ca/>

ISSN 0581-8214

**This Report and previous Reports are
available on the Internet at
<http://www.auditor.sk.ca/>**

Vision

We envision effective, open, and accountable government.

Mission

We serve the people of Saskatchewan through the Legislative Assembly by fostering excellence in public sector management and accountability.



Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Phone: (306) 787-6366
Fax: (306) 787-6383
Internet e-mail: fwendel@auditor.sk.ca

SASKATCHEWAN

April 12, 2006

The Honourable P. Myron Kowalsky
Speaker of the Legislative Assembly
Room 129, Legislative Building
REGINA, Saskatchewan
S4S 0B3

Dear Sir:

I have the honour to submit my *Report to the Legislative Assembly of Saskatchewan on the 2005 Financial Statements of CIC Crown Corporations and Related Entities* in accordance with the provisions of Section 14 of *The Provincial Auditor Act*.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Fred Wendel".

Fred Wendel, CMA, CA
Provincial Auditor

/am

Report on the 2005 Financial Statements of CIC Crown Corporations and Related Entities

| | |
|-----------------|---|
| Purpose | 1 |
| Background..... | 1 |
| Results..... | 2 |

This page left blank intentionally.

Purpose

The purpose of this Report is to inform the Legislative Assembly of our Office's views on the financial statements of Crown Investments Corporation of Saskatchewan (CIC), its subsidiaries, and other related entities. Our views on the financial statements of other Crown agencies are presented in a separate report.

Background

The Assembly allows the Government to appoint auditors to examine and report on Crown agencies. The Provincial Auditor, however, retains overall responsibility for the audits of all Crown agencies.

In June 1994, the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*¹ recommended how the audit system for CIC and its subsidiary Crown corporations could function more efficiently and effectively. Our Office, CIC, CIC Crown corporations, and appointed auditors are using those recommendations to better serve the Assembly's needs. The Task Force recommended that we give the Assembly a report listing the CIC Crown corporations in whose audits we participated.

The objectives of each audit are to form the following opinions and to report the results to the Assembly.

- ◆ An opinion on the rules and procedures used by the corporation to safeguard public resources.
- ◆ An opinion on the corporation's compliance with the authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.
- ◆ An opinion on the reliability of the corporation's financial statements.

¹ For a copy of this report, see our Web site at www.auditor.sk.ca/rrd.html.

**Report on the 2005 Financial Statements of
CIC Crown Corporations and Related Entities**

In our 2006 Report – Volume 1, we will report the results of these audits as required by *The Provincial Auditor Act*. The appointed auditors' reports on the reliability of each CIC Crown corporation's and related entity's financial statements are attached to the respective financial statements.

Results

We participated in all audits of CIC Crown corporations and related entities, except as noted in the following table.

In our opinion, for all audits we participated in and completed our work by the date of this Report, the financial statements are reliable. We will report the results of the remaining audits in a later Report.

The following table includes all CIC Crown corporations and related entities. It lists the appointed auditor's name, whether we participated in the audit, and whether the financial statements are reliable.

**Report on the 2005 Financial Statements of
CIC Crown Corporations and Related Entities**

| Crown Agency | Appointed Auditor | Participated in Audit | Financial Statements are Reliable |
|--|----------------------------|----------------------------------|--|
| Crown Investments Corporation of Saskatchewan | KPMG LLP | Yes | Yes |
| Gradworks Inc. | Dudley & Company LLP | Yes | Yes |
| Capital Pension Plan | KPMG LLP | Yes | Yes |
| Information Services Corporation of Saskatchewan | Deloitte & Touche LLP | Yes | Yes |
| Investment Saskatchewan Inc. | KPMG LLP | Yes | Yes |
| 101069101 Saskatchewan Ltd. | * | | |
| CIC Foods Inc. | * | | |
| CIC FTLP Holdings Inc. | * | | |
| CIC FTMI Holdings Inc. | * | | |
| CIC OSB Products Inc. | * | | |
| CIC Pulp Ltd. | * | | |
| CIC PVF Holdings Inc. | * | | |
| CIC WLSVF Holdings Inc. | KPMG LLP | Yes | ** |
| CIC Swine Genetics Holdings Inc. | * | | |
| CIC Swine Genetics Inc. | * | | |
| CIC Swine Genetics (NL) B.V. | * | | |
| Investment Saskatchewan Swine Inc. | * | | |
| Saskatchewan Valley Potato Corporation | KPMG LLP | Yes | ** |
| Saskatchewan Development Fund Corporation | Dudley & Company LLP | Yes | Yes |
| Saskatchewan Development Fund | Dudley & Company LLP | Yes | Yes |
| SaskEnergy Incorporated | Deloitte & Touche LLP | Yes | Yes |
| TransGas Limited | Deloitte & Touche LLP | Yes | Yes |
| Many Islands Pipe Lines (Canada) Limited | Deloitte & Touche LLP | Yes | Yes |
| Bayhurst Gas Limited | Deloitte & Touche LLP | Yes | Yes |
| Swan Valley Gas Corporation | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan First Call Corporation | Deloitte & Touche LLP | Yes | Yes |
| SaskEnergy Nova Scotia Holdings Ltd. | Deloitte & Touche LLP | Yes | Yes |
| Heritage Gas Limited | PricewaterhouseCoopers LLP | Yes | Yes |
| SaskEnergy International Incorporated | Deloitte & Touche LLP | Yes | Yes |
| SaskEnergy Mexican Holdings Ltd. | Deloitte & Touche LLP | Yes | Yes |
| SaskEnergy Chilean Holdings I Ltd. | Deloitte & Touche LLP | Yes | Yes |
| SaskEnergy Chilean Holdings II Ltd. | Deloitte & Touche LLP | Yes | Yes |
| SaskEnergy Chilean Holdings Limitada | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Growth Fund Management Corporation | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Growth Fund Ltd. | * | | |
| 610277 Saskatchewan Ltd. | * | | |
| Saskatchewan Government Growth Fund II Ltd. | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Growth Fund III Ltd. | Deloitte & Touche LLP | Yes | Yes |
| 617275 Saskatchewan Ltd. | * | | |
| Saskatchewan Government Growth Fund IV Ltd. | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Growth Fund V (1997) Ltd. | Deloitte & Touche LLP | Yes | Yes |
| 101005716 Saskatchewan Ltd. | * | | |
| Saskatchewan Government Growth Fund VI Ltd. | Deloitte & Touche LLP | Yes | Yes |
| 101027596 Saskatchewan Ltd. | * | | |
| Saskatchewan Government Growth Fund VII Ltd. | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Growth Fund VIII Ltd. | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Government Insurance | KPMG LLP | Yes | Yes |
| SGI Canada Insurance Services Ltd. | KPMG LLP | Yes | Yes |
| Insurance Corporation of Prince Edward Island | KPMG LLP | Yes | Yes |
| Coachman Insurance Company | KPMG LLP | Yes | Yes |
| Saskatchewan Government Insurance Superannuation Plan | KPMG LLP | Yes | Yes |
| Saskatchewan Auto Fund | KPMG LLP | Yes | Yes |
| Saskatchewan Opportunities Corporation | KPMG LLP | Yes | Yes |

**Report on the 2005 Financial Statements of
CIC Crown Corporations and Related Entities**

| Crown Agency | Appointed Auditor | Participated in Audit | Financial Statements are Reliable |
|---|--------------------------|----------------------------------|--|
| Saskatchewan Power Corporation | Deloitte & Touche LLP | Yes | Yes |
| SaskPower International Inc. | Deloitte & Touche LLP | Yes | Yes |
| Power Greenhouses Inc. | Meyers Norris Penny LLP | Yes | Yes |
| Northpoint Energy Solutions Inc. | Deloitte & Touche LLP | Yes | Yes |
| Power Corporation Superannuation Plan | Deloitte & Touche LLP | Yes | Yes |
| Saskatchewan Telecommunications Holding Corporation | KPMG LLP | Yes | Yes |
| Saskatchewan Telecommunications | KPMG LLP | Yes | Yes |
| Saskatchewan Telecommunications International, Inc. | KPMG LLP | Yes | Yes |
| SaskTel International Consulting, Inc. | * | | |
| SaskTel International (Tanzania) Ltd. | * | | |
| Battleford International, Inc. | * | | |
| Avonlea Holding, Inc. | * | | |
| Esterhazy Holding, Inc. | * | | |
| Navigata Holding CCIV, Inc. | * | | |
| Navigata Communications Ltd. | * | | |
| Navigata Communications Partnership | KPMG LLP | Yes | Yes |
| Navigata Communications Inc. Pension Plan | KPMG LLP | Yes | Yes |
| Nokomis Holding, Inc. | * | | |
| SecurTek Monitoring Solutions Inc. | KPMG LLP | Yes | Yes |
| Shellbrook Holding, Inc. | * | | |
| Xavier Holding, Inc. | * | | |
| Yellowgrass Holding, Inc. | * | | |
| SaskTel Investments Inc. | * | | |
| Business Watch International Inc. | KPMG LLP | Yes | Yes |
| Business Watch International (U.S.) Inc. | * | | |
| DirectWest Corporation | KPMG LLP | Yes | Yes |
| Qu'Appelle Holding, Inc. | * | | |
| 3364381 Canada Ltd. | * | | |
| The Phone Book Company Partnership | KPMG LLP | Yes | Yes |
| Hollywood At Home Inc. | * | | |
| Hospitality Network Canada Inc. | KPMG LLP | Yes | Yes |
| Hospitality Network Canada Partnership | * | | |
| Nokomis Holding (US), Inc. | * | | |
| SaskTel Holding (New Zealand) Inc. | * | | |
| Vanguard Holding, Inc. | * | | |
| Saskatoon2 Management Ltd. | * | | |
| Wadena Holding, Inc. | * | | |
| Saskatoon2 Properties Limited Partnership | KPMG LLP | Yes | Yes |
| Saskatchewan Telecommunications Pension Plan | KPMG LLP | Yes | Yes |
| Saskatchewan Transportation Company | Meyers Norris Penny LLP | Yes | Yes |
| Saskatchewan Water Corporation | Meyers Norris Penny LLP | Yes | Yes |
| 2004 audits completed: | | | |
| CIC WLSVF Holdings Inc. | KPMG LLP | Yes | Yes |
| Navigata Communications Inc. Pension Plan | KPMG LLP | Yes | Yes |

* Audited financial statements were not prepared for 2005

** Audit of financial statements was not finished at the date of this Report