

**Quality of annual reports of
CIC Crown corporations**

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The quality of annual reports of CIC Crown corporations

This Part provides an update on the overall quality of the content of the annual reports of CIC Crown corporations (CIC Crowns). To provide the update, we compared the results of assessments of the content of six CIC Crown corporations' 2010 annual reports to previous assessments of their annual reports (see Exhibit 1).

Exhibit 1—Listing of selected CIC Crown corporations

Crown Investment Corporation of Saskatchewan (CIC)
Saskatchewan Gaming Corporation
Saskatchewan Government Insurance
Saskatchewan Power Corporation
Saskatchewan Telecommunications Holding Corporation
SaskEnergy Incorporated

For CIC Crowns, we referred to the results of assessments done by the Conference Board of Canada (CoBC). During 2011, CIC engaged CoBC to review the reporting and disclosure in CIC Crowns' 2010 annual reports. CoBC used its best practice matrix to assess these annual reports (Exhibit 2). We found CoBC's principles and best practice matrix consistent with the recommended practice set out in the Statement of Recommended Practice (SORP-2) Public Performance Reporting as published by the Canadian Public Sector Accounting Board.¹

We limited our assessment to examining the content of annual reports and did not verify whether the information in the reports was relevant and reliable. For example, we did not assess the accuracy, completeness, or validity of underlying information systems or data used to prepare the performance information.

¹ *The Public performance reporting – Guide to preparing public performance reports* is a companion document to SORP-2. The guide is available at <http://www.psab-ccsp.ca/other-non-authoritative-guidance/item14604.pdf>. (Accessed October 5, 2011).

Exhibit 2—Conference Board of Canada – Reporting and disclosure best practices principles

Principle	Related content or features
Principle 1: Leadership and Stewardship	Refers to disclosure of the corporation’s level of confidence that it has the leadership and capacity to deliver on its mandate and mission.
Principle 2: Empowerment and Accountability	Refers to disclosure relating to the corporation’s reporting on how it is accountable for corporate results and plans.
Principle 3: Communication and Transparency	Refers to disclosure of the operating context for the corporation; the leadership team’s skills, attributes, and approach; and that team’s ability to clearly communicate about the corporation’s operations to a range of stakeholders.
Principle 4: Service and Fairness	Refers to disclosure of the corporation’s initiatives that affect the broader community and of the corporation’s initiatives to create trust.
Principle 5: Accomplishment and Measurement	Refers to disclosure of the corporation’s key performance drivers and an accounting of how well the corporation has achieved its goals.
Principle 6: Continuous Learning and Growth	Refers to disclosure of the corporation’s initiatives to increase the value of its people and practices and to increase its capacities through learning and growth across the organization.

Source: Conference Board of Canada

Key findings—annual reports of CIC Crown corporations remain strong

Overall, the quality of the 2010 annual reports of the above-listed CIC Crowns remained strong. The content of these annual reports reflected either best or good practices² on an overall basis and by principle. While the assessment noted a few areas where significant key details were lacking (e.g., where report did not provide further information on specific risks identified or mitigation strategies for these risks), it did not note any examples of poor practice.

CIC shows its continued commitment to providing legislators with quality annual reports. Since 2000, CIC Crowns report results in their annual report using a corporate balanced scorecard method. CIC has established a policy for the CIC Crowns that explains the importance of quality annual reports and sets minimum standards for disclosure of information. For its commercial Crowns (e.g., SaskTel, SaskEnergy), it

² Rating of “good practice” means disclosure provided reflected good practice but further information or clarification would strengthen disclosure.

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expects them to provide information that is consistent with publicly-traded corporations operating in the same industry. In addition, on a two-year cycle, it engages CoBC to review the annual reports of CIC and its Crowns against a best practice matrix. This matrix is to reflect the best practices for reporting, accountability and governance of private and public sector corporations.

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