



May 1, 2014

The Honourable Dan D'Autremont
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 Financial Statements of Crown Agencies for Years Ending in the 2013 Calendar Year* in accordance with the provisions of Section 14 of *The Provincial Auditor Act*.

Respectfully submitted,

A handwritten signature in black ink that reads "Judy Ferguson".

Judy Ferguson, FCA
Acting Provincial Auditor

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Report on the Financial Statements of Crown Agencies for Years Ending in the 2013 Calendar Year

1.0 PURPOSE

The purpose of this Report is to inform the Legislative Assembly of our Office's views on the financial statements of Crown agencies audited by appointed auditors for years ending in the 2013 calendar year. This Report does not include our views on the financial statements of Crown Investments Corporation of Saskatchewan (CIC) and its related entities. We provide our views on those entities in a separate report entitled *Report on the 2013 Financial Statements of CIC Crown Corporations and Related Entities*.

2.0 BACKGROUND

The Assembly allows the Government to appoint auditors to examine and report on certain 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. In April 1995, Treasury Board decided that all Crown corporations and agencies should comply with the Task Force's recommendations. Our Office, the Crown agencies, and the appointed auditors use the Task Force's recommendations to better serve the Assembly's needs. The Task Force recommended that we give the Assembly a report listing the agencies 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 agency to safeguard public resources.
- › An opinion on the agency's compliance with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.
- › An opinion on the reliability of the agency's financial statements.

In our *2013 Report – Volume 2*, we reported the results of the 2013 audits that were completed by October 31, 2013. We will report the results of the remaining 2013 audits in our *2014 Report – Volume 1*. The appointed auditors' reports on the reliability of each Crown agency's financial statements accompany the respective financial statements.

¹ For a copy of this report, see our website at www.auditor.sk.ca.



The Government's summary financial statements include the financial results of all Crown agencies controlled by the Government. *Public Accounts 2012-13 – Volume 1* includes my auditor's report on the Government's Summary Financial Statements for the year ended March 31, 2013.

3.0 RESULTS

We participated in the financial statement audits of all Crown agencies except as noted in **Figure 1**.

Figure 1 lists each Crown agency whose financial statements are audited by an appointed auditor, the appointed auditor's name, the agency's year-end date, whether we participated in the audit, and whether the agency's 2013 financial statements are reliable.

Figure 1 – Listing of Our Involvement in 2013 Financial Statement Audits of Crown Agencies

Crown Agency	Appointed Auditor	Year-end Date	Participated in Audit	2013 Financial Statements are Reliable
Regional Colleges				
Carlton Trail Regional College	E.J.C. Dudley & Co.	June 30, 2013	Yes	Yes
Cumberland Regional College	NeuPath Group	June 30, 2013	Note 2	Yes
Great Plains College	Stark & Marsh LLP	June 30, 2013	Note 2	Yes
Northlands College	MNP LLP	June 30, 2013	Yes	Yes
North West Regional College	Baert Cameron Odishaw La Cock	June 30, 2013	Yes	Yes
Parkland Regional College	Skilnick Miller Moar Grodecki & Kreklewich	June 30, 2013	Note 2	Yes
Southeast Regional College	MNP LLP	June 30, 2013	Note 2	Yes
Regional Health Authorities				
Cypress Regional Health Authority	Stark & Marsh LLP	March 31, 2013	Yes	Yes except for Note 3
Five Hills Regional Health Authority	Virtus Group LLP	March 31, 2013	Yes	Yes except for Note 3
Heartland Regional Health Authority	KPMG LLP	March 31, 2013	Yes	Yes except for Note 3
Keewatin Yatthé Regional Health Authority	MNP LLP	March 31, 2013	Yes	Yes
Kelsey Trail Regional Health Authority	NeuPath Group, PC Inc.	March 31, 2013	Yes	Yes
Mamawetan Churchill River Regional Health Authority	Deloitte LLP	March 31, 2013	Yes	Yes
Prairie North Regional Health Authority	Baert Cameron Odishaw La Cock	March 31, 2013	Yes	Yes except for Note 3

Crown Agency	Appointed Auditor	Year-end Date	Participated in Audit	2013 Financial Statements are Reliable
Prince Albert Parkland Regional Health Authority	MNP LLP	March 31, 2013	Yes	Yes except for Note 3
Saskatoon Regional Health Authority	KPMG LLP	March 31, 2013	Yes	Yes
Sun Country Regional Health Authority	Virtus Group LLP	March 31, 2013	Yes	Yes except for Note 3
Sunrise Regional Health Authority	Parker Quine LLP	March 31, 2013	Yes	Yes

School Divisions

Chinook School Division No. 211	Stark & Marsh LLP	August 31, 2013	Note 2	Yes
Christ the Teacher Roman Catholic Separate School Division No. 212	Skilnick Miller Moar Grodecki & Kreklewich	August 31, 2013	Note 2	Yes
Conseil des Ecoles Fransaskoises School Division No. 310	Deloitte LLP	August 31, 2013	Note 2	Yes
Creighton School Division No. 111	Kendall & Pandya	August 31, 2013	Note 2	Yes
Englefeld Protestant Separate School Division No. 132	MNP LLP	August 31, 2013	Note 2	Yes
Good Spirit School Division No. 204	Skilnick Miller Moar Grodecki & Kreklewich	August 31, 2013	Note 2	Yes
Holy Family Roman Catholic Separate School Division No. 140	Cogent Business Consulting	August 31, 2013	Note 2	Yes
Holy Trinity Roman Catholic Separate School Division No. 22	Robert A. Tiede	August 31, 2013	Note 2	Yes
Horizon School Division No. 205	MNP LLP	August 31, 2013	Yes	Yes
Ile a la Crosse School Division No. 112	Baert Cameron Odishaw La Cock	August 31, 2013	Note 2	Yes
Light of Christ Roman Catholic Separate School Division No. 16	Baert Cameron Odishaw La Cock	August 31, 2013	Note 2	Yes
Living Sky School Division No. 202	Holm Clements Kwong Svenkeson Raiche	August 31, 2013	Note 2	Yes
Lloydminster Roman Catholic Separate School Division No. 89	Wilkinson Livingston Stevens LLP	August 31, 2013	Note 2	Yes
Lloydminster Public School Division No. 99	Wilkinson Livingston Stevens LLP	August 31, 2013	Note 2	Yes
North East School Division No. 200	MNP LLP	August 31, 2013	Yes	Yes
Northwest School Division No. 203	Cogent Business Consulting	August 31, 2013	Yes	Yes



Crown Agency	Appointed Auditor	Year-end Date	Participated in Audit	2013 Financial Statements are Reliable
Northern Lights School Division No. 113	MNP LLP	August 31, 2013	Note 2	Yes
Prairie South School Division No. 210	Stark & Marsh LLP	August 31, 2012	Note 2	Yes
Prairie Spirit School Division No. 206	C. S. Skrupski Certified General Accountant Professional Corporation	August 31, 2013	Yes	Yes
Prairie Valley School Division No. 208	MNP LLP	August 31, 2013	Yes	Yes
Prince Albert Roman Catholic Separate School Division No. 6	MNP LLP	August 31, 2013	Note 2	Yes
Regina Roman Catholic Separate School Division No. 81	Dudley & Company LLP	August 31, 2013	Yes	Yes
Regina School Division No. 4	MNP LLP	August 31, 2013	Yes	Yes
Saskatchewan Rivers School Division No. 119	Deloitte LLP	August 31, 2013	Note 2	Yes
Saskatoon School Division No. 13	KPMG LLP	August 31, 2013	Yes	Yes
South East Cornerstone School Division No. 209	Virtus Group LLP	August 31, 2013	Note 2	Yes
St. Paul's Roman Catholic Separate School Division No. 20	Deloitte LLP	August 31, 2013	Yes	Yes
Sun West School Division No. 207	Close Perkins & Hauta	August 31, 2013	Note 2	Yes
Other Crown Agencies, special purpose and trust funds				
Agricultural Credit Corporation of Saskatchewan	MNP LLP	March 31, 2013	Yes	Yes
Community Initiatives Fund	Virtus Group LLP	March 31, 2013	Yes	Yes
Crop Reinsurance Fund of Saskatchewan	KPMG LLP	March 31, 2013	Yes	Yes
Global Transportation Hub Authority, The	Deloitte LLP	March 31, 2013	Yes	Yes
Métis Development Fund	Deloitte LLP	December 31, 2013	Yes	Yes
Municipal Employees' Pension Plan	Deloitte LLP	December 31, 2013	Yes	Yes
Municipal Financing Corporation of Saskatchewan	Dudley & Company LLP	December 31, 2013	Yes	Yes
North Sask. Laundry & Support Services Ltd.	MNP LLP	March 31, 2013	Yes	Yes
Operator Certification Board	Mintz & Wallace	March 31, 2013	Yes	Yes

Crown Agency	Appointed Auditor	Year-end Date	Participated in Audit	2013 Financial Statements are Reliable
Public Employees' Pension Plan	Deloitte LLP	March 31, 2013	Yes	Yes
Saskatchewan Agricultural Stabilization Fund	KPMG LLP	March 31, 2013	Yes	Yes
Saskatchewan Crop Insurance Corporation	KPMG LLP	March 31, 2013	Yes	Yes
Saskatchewan Grain Car Corporation	Skilnick Miller Moar Grodecki & Kreklewich	July 31, 2013	Yes	Yes
Saskatchewan Housing Corporation	KPMG LLP	December 31, 2013	Yes	Yes
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	Virtus Group LLP	March 31, 2013	Yes	Yes
Saskatchewan Pension Plan	Deloitte LLP	December 31, 2013	Yes	Yes
Saskatchewan Trade and Export Partnership Inc.	KPMG LLP	March 31, 2013	No	Note 1
Water Security Agency (Saskatchewan Watershed Authority)	Deloitte LLP	March 31, 2013	Yes	Yes
Workers' Compensation Board	KPMG LLP	December 31, 2013	Yes	Yes
Pension Plan for Employees of the Saskatchewan Workers' Compensation Board	KPMG LLP	December 31, 2013	Yes	Yes
Tourism Saskatchewan	MNP LLP	March 31, 2013	Yes	Yes
Other Agencies				
Technical Safety Authority of Saskatchewan, The (T-SASK)	MNP LLP	June 30, 2013	Yes	Yes

Note 1: Consistent with prior years as part of our annual audit of the funding agency, we would examine the supervisory work carried out by the funding agency over STEP.

Note 2: We reviewed the opinions of the appointed auditor on the reliability of financial statements, effectiveness of processes to safeguard public resources, and compliance with authorities. We also reviewed the summary of errors and management letters to boards of the agencies. Where necessary, we followed up with the appointed auditor to clarify issues reported.

Note 3: For each of these Regional Health Authorities (RHAs), we agree with its appointed auditor's qualified audit report on its 2013 financial statements. Because the 2013 financial statements of each of these RHAs contain significant errors, the appointed auditor has expressed a qualified opinion. An auditor expresses a qualified opinion when the auditor, having obtained appropriate audit evidence, concludes the errors, individually or in aggregate, are material (significant) but not pervasive to the financial statements. The errors in the 2013 financial statements are the result of each of these RHAs not following Canadian generally accepted accounting standards for the public sector when it recorded certain capital funding provided under "shared ownership" agreements. For further detail, see Chapter 19 of our *2013 Report – Volume 2* (p. 139).