

## Appendix 2

# Report on the Financial Statements of Agencies Audited by Appointed Auditors

### 1.0 PURPOSE

The purpose of this Appendix is to inform the Legislative Assembly of the Office's views on the financial statements of agencies audited by appointed auditors for fiscal periods ending between January 1, 2015 and December 31, 2016.

In prior years, the Office presented its views based on a calendar year. Given the change in Crown Investments Corporation of Saskatchewan (CIC) and its subsidiary Crown corporations' year-ends to March 31 in 2015-16, it is presenting this Appendix based on the Government's fiscal year of April 1 – March 31.

### 2.0 BACKGROUND

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

The objectives of each annual integrated audit are to form the following opinions and to report the results to the Assembly:

- › An opinion on the financial-related 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. The appointed auditors' reports on the reliability of each Crown agency and each Crown corporation's financial statements accompany the respective financial statements.

In June 1994, the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*<sup>1</sup> 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 these recommendations. The Office, the Crown agencies, Crown corporations, and the appointed auditors use the Task Force's recommendations to better serve the Assembly's needs. The Task Force recommended that the Office give the Assembly a report listing the agencies in whose annual integrated audits it participated.

<sup>1</sup> For a copy of this report, see our website at [www.auditor.sk.ca](http://www.auditor.sk.ca).



The Office reported the results:

- › Of the 2015 audits that were completed by October 31, 2015 in the *2015 Report – Volume 2*
- › Of the remaining 2015 audits in the *2016 Report – Volume 1*
- › Of the 2016 audits that were completed by October 31, 2016 in the *2016 Report – Volume 2*

The Government's Summary Financial Statements include the financial results of all Crown agencies controlled by the Government. *Public Accounts 2015-16 – Volume 1* includes the Office's auditor's report on the Government's Summary Financial Statements for the year ended March 31, 2016.

## Report on the Financial Statements of Crown Agencies and Corporations for Fiscal Years Ending Between January 1, 2015 and December 31, 2016

The table below lists each Crown agency or corporation whose financial statements are audited by an appointed auditor, the appointed auditor's name, the agency's year-end date, whether the Office participated in the audit, and whether the agency's financial statements are reliable. The Office participated in the financial statement audits of all Crown agencies or corporations except as noted in the table. As noted below, sometimes the Office varies the extent of its participation.

The table groups agencies and corporations by: regional colleges; regional health authorities; school divisions; other Crown agencies, special purpose and trust funds; other agencies; and CIC, its subsidiary Crown corporations, and other related entities.

### Listing of Our Involvement in 2015 and 2016 Financial Statement Audits of Crown Agencies and Crown Corporations

Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
<b>A. Regional Colleges</b>				
Carlton Trail College	E.J.C. Dudley & Co.	June 30, 2015 June 30, 2016	See <sup>A</sup> Yes (2016)	Yes
Cumberland College	NeuPath Group, PC Inc.	June 30, 2015 June 30, 2016	See <sup>A</sup>	Yes
Great Plains College	Stark & Marsh CPA LLP	June 30, 2015 June 30, 2016	See <sup>A</sup> Yes (2016)	Yes
Northlands College	MNP LLP	June 30, 2015 June 30, 2016	Yes (2015) See <sup>A</sup>	Yes
North West College	Vantage Chartered Professional Accountants	June 30, 2015 June 30, 2016	Yes (2015) See <sup>A</sup>	Yes
Parkland College	Miller Moar Grodecki Krelewich & Chorney	June 30, 2015 June 30, 2016	See <sup>A</sup> Yes (2016)	Yes
Southeast College	MNP LLP	June 30, 2015 June 30, 2016	Yes (2015) See <sup>A</sup>	Yes

Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
<b>B. Regional Health Authorities</b>				
Cypress Regional Health Authority	Stark & Marsh CPA LLP	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Five Hills Regional Health Authority	Virtus Group LLP	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Heartland Regional Health Authority	KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Keewatin Yatthé Regional Health Authority	MNP LLP	March 31, 2015 March 31, 2016	Yes	Yes
Kelsey Trail Regional Health Authority	NeuPath Group, PC Inc.	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Mamawetan Churchill River Regional Health Authority	Deloitte LLP	March 31, 2015 March 31, 2016	Yes	Yes
Prairie North Regional Health Authority	Vantage Chartered Professional Accountants	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Prince Albert Parkland Regional Health Authority	MNP LLP	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Saskatoon Regional Health Authority	KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes
Sun Country Regional Health Authority	Virtus Group LLP	March 31, 2015 March 31, 2016	Yes	Yes except for shared ownership agreement accounting in 2015 <sup>E</sup>
Sunrise Regional Health Authority	Collins Barrow PQ LLP	March 31, 2015 March 31, 2016	Yes	Yes
<b>C. School Divisions</b>				
Chinook School Division No. 211	Stark & Marsh CPA LLP	August 31, 2015 August 31, 2016	See <sup>A</sup> Yes (2016)	Yes
Christ the Teacher Roman Catholic Separate School Division No. 212	Miller Moar Grodecki Kreklewich & Chorney Collins Barrow PQ LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes



Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Conseil des écoles fransaskoises No. 310	Deloitte LLP	August 31, 2015 August 31, 2016	See <sup>A</sup> Yes (2016)	Yes
Creighton School Division No. 111	Kendall & Pandya	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Engelfeld Protestant Separate School Division No. 132	MNP LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Good Spirit School Division No. 204	Miller Moar Grodecki Kreklewich & Chorney	August 31, 2015 August 31, 2016	Yes (2015) See <sup>A</sup>	Yes
Holy Family Roman Catholic Separate School Division No. 140	Cogent Chartered Professional Accountants LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Holy Trinity Roman Catholic Separate School Division No. 22	Virtus Group LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Horizon School Division No. 205	MNP LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Ile-a-la Crosse School Division No. 112	Vantage Chartered Professional Accountants	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Light of Christ Roman Catholic Separate School Division No. 16	Vantage Chartered Professional Accountants	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Living Sky School Division No. 202	Holm Raiche Oberg Chartered Professional Accounts P.C. Ltd.	August 31, 2015 August 31, 2016	Yes (2015) See <sup>A</sup>	Yes
Lloydminster Roman Catholic Separate School Division No. 89	Wilkinson Livingston Stevens LLP MNP LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Lloydminster Public School Division No. 99	Wilkinson Livingston Stevens LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
North East School Division No. 200	MNP LLP Virtus Group LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Northern Lights School Division No. 113	MNP LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
Northwest School Division No. 203	Cogent Chartered Professional Accountants LLP	August 31, 2015 August 31, 2016	See <sup>A</sup> Yes (2016)	Yes
Prairie South School Division No. 210	Stark & Marsh CPA LLP	August 31, 2015 August 31, 2016	Yes (2015) See <sup>A</sup>	Yes
Prairie Spirit School Division No. 206	Deloitte LLP	August 31, 2015 August 31, 2016	Yes (2015, 2016)	Yes
Prairie Valley School Division No. 208	MNP LLP	August 31, 2015 August 31, 2016	Yes (2015) See <sup>A</sup>	Yes
Prince Albert Roman Catholic Separate School Division No. 6	MNP LLP	August 31, 2015 August 31, 2016	Yes (2015) See <sup>A</sup>	Yes
Regina Roman Catholic Separate School Division No. 81	Dudley & Company LLP	August 31, 2015 August 31, 2016	See <sup>A</sup> Yes (2016)	Yes
Regina School Division No. 4	MNP LLP	August 31, 2015 August 31, 2016	Yes (2015, 2016)	Yes
Saskatchewan Rivers School Division No. 119	Deloitte LLP	August 31, 2015 August 31, 2016	See <sup>A</sup> Yes (2016)	Yes
Saskatoon School Division No. 13	KPMG LLP Deloitte LLP	August 31, 2015 August 31, 2016	Yes (2015, 2016)	Yes
South East Cornerstone School Division No. 209	Virtus Group LLP	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
St. Paul's Roman Catholic Separate School Division No. 20	Deloitte LLP	August 31, 2015 August 31, 2016	Yes (2015, 2016)	Yes

Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Sun West School Division No. 207	Close Hauta Bertoia & Blanchette Chartered Professional Accountants	August 31, 2015 August 31, 2016	See <sup>A</sup>	Yes
<b>D. Other Crown Agencies, Special Purpose and Trust Funds</b>				
Agricultural Credit Corporation of Saskatchewan	MNP LLP	March 31, 2015 March 31, 2016	Yes	Yes
Community Initiatives Fund	Virtus Group LLP	March 31, 2015 March 31, 2016	Yes	Yes
Crop Reinsurance Fund of Saskatchewan	KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes
Global Transportation Hub Authority, The	Deloitte LLP	March 31, 2015 March 31, 2016	Yes	Yes
Métis Development Fund	Deloitte LLP	December 31, 2015 December 31, 2016	Yes	Yes
Municipal Employees' Pension Commission	KPMG LLP	December 31, 2015 December 31, 2016	Yes	Yes
Municipal Financing Corporation of Saskatchewan	Dudley & Company LLP	December 31, 2015 December 31, 2016	Yes	Yes
North Sask. Laundry & Support Services Ltd. <sup>F</sup>	MNP LLP	March 31, 2015 March 31, 2016	Yes	Yes
Operator Certification Board	Mintz & Wallace	March 31, 2015 March 31, 2016	Yes	Yes
Owners, The: Condominium Corporation No. 101100609	Deloitte LLP	March 31, 2015 March 31, 2016	Yes	Yes
Pension Plan for the Non-Teaching Employees of the Saskatoon School Division No. 13	Deloitte LLP	December 31, 2015 December 31, 2016	Yes	Yes
Public Employees' Pension Plan	Deloitte LLP KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes
Saskatchewan Agricultural Stabilization Fund	KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes
Saskatchewan Crop Insurance Corporation	KPMG LLP	March 31, 2015 March 31, 2016	Yes	Yes
Saskatchewan Grain Car Corporation	Miller Moar Grodecki Kreklewich & Chorney	July 31, 2015 July 31, 2016	Yes	Yes
Saskatchewan Housing Corporation	KPMG LLP	December 31, 2015 December 31, 2016	Yes	Yes
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	Virtus Group LLP	March 31, 2015 March 31, 2016	Yes	Yes
Saskatchewan Pension Plan	Deloitte LLP KPMG LLP	December 31, 2015 December 31, 2016	Yes	Yes
Saskatchewan Research Council	Deloitte LLP	March 31, 2016	Yes	Yes
Saskatchewan Research Council Employees' Pension Plan	Deloitte LLP	December 31, 2015 December 31, 2016	Yes	Yes
Saskatchewan Trade and Export Partnership Inc.	KPMG LLP	March 31, 2015 March 31, 2016	No	See <sup>D</sup>
Water Security Agency	Deloitte LLP	March 31, 2015 March 31, 2016	Yes	Yes
Workers' Compensation Board	KPMG LLP	December 31, 2015 December 31, 2016	Yes	Yes



Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Pension Plan for Employees of the Saskatchewan Workers' Compensation Board	KPMG LLP	December 31, 2015 December 31, 2016	Yes	Yes
Tourism Saskatchewan	MNP LLP	March 31, 2015 March 31, 2016	Yes	Yes
<b>E. Other Agencies</b>				
Technical Safety Authority of Saskatchewan, The	MNP LLP	June 30, 2015 June 30, 2016	Yes	Yes
<b>F. CIC, its Subsidiary Crown Corporations &amp; Other Related Entities</b>				
Crown Investments Corporation of Saskatchewan <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
CIC Economic Holdco Ltd.	See <sup>B</sup>			
First Nations and Métis Fund Inc. <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Gradworks Inc. <sup>C</sup>	Dudley & Company LLP	March 31, 2016	Yes	Yes
Saskatchewan Immigrant Investor Fund Inc. <sup>C</sup>	Ernst & Young LLP	March 31, 2016	Yes	Yes
CIC Asset Management Inc. <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
101069101 Saskatchewan Ltd.	See <sup>B</sup>			
CIC Foods Inc. <sup>G</sup>	See <sup>B</sup>			
CIC FTLF Holdings Inc.	See <sup>B</sup>			
CIC FTMI Holdings Inc.	See <sup>B</sup>			
CIC OSB Products Inc. <sup>H</sup>	See <sup>B</sup>			
CIC Pulp Ltd.	See <sup>B</sup>			
CIC WLSVF Holdings Inc. <sup>I</sup>	See <sup>B</sup>			
Invest Sask Holdings Inc. <sup>J</sup>	See <sup>B</sup>			
Investment Saskatchewan Swine Inc. <sup>K</sup>	See <sup>B</sup>			
Capital Pension Plan	Deloitte LLP	December 31, 2015 December 31, 2016	Yes	Yes
SaskEnergy Incorporated <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
TransGas Limited <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
Many Islands Pipe Lines (Canada) Limited <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
Bayhurst Gas Limited <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
Bayhurst Energy Services Corporation	See <sup>B</sup>			
BG Storage Inc.	See <sup>B</sup>			
Saskatchewan First Call Corporation	See <sup>B</sup>			
Saskatchewan Gaming Corporation <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
SGC Holdings Inc. <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Saskatchewan Government Insurance <sup>C</sup>	PricewaterhouseCoopers LLP	March 31, 2016	Yes	Yes
SGI Canada Insurance Services Ltd.	PricewaterhouseCoopers LLP	December 31, 2015 December 31, 2016	Yes	Yes
Coachman Insurance Company	PricewaterhouseCoopers LLP	December 31, 2015 December 31, 2016	Yes	Yes

Crown Agency or Corporation	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Saskatchewan Government Insurance Superannuation Plan	PricewaterhouseCoopers LLP	December 31, 2015 December 31, 2016	Yes	Yes
Saskatchewan Auto Fund <sup>C</sup>	PricewaterhouseCoopers LLP	March 31, 2016	Yes	Yes
Saskatchewan Opportunities Corporation <sup>C</sup>	Virtus Group LLP	March 31, 2016	Yes	Yes
Saskatchewan Power Corporation <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
SaskPower International Inc.	See <sup>B</sup>			
Northpoint Energy Solutions Inc. <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes
Power Corporation Superannuation Plan	Deloitte LLP	December 31, 2015 December 31, 2016	Yes	Yes
Saskatchewan Telecommunications Holding Corporation <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Saskatchewan Telecommunications <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Saskatchewan Telecommunications International, Inc. <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
SaskTel International Consulting, Inc.	See <sup>B</sup>			
Saskatchewan Telecommunications International (Tanzania) Ltd.	See <sup>B</sup>			
Battleford International, Inc.	See <sup>B</sup>			
Avonlea Holding, Inc.	See <sup>B</sup>			
Manalta Investment Company Ltd.	See <sup>B</sup>			
Qu'Appelle Holding, Inc.	See <sup>B</sup>			
Nokomis Holding, Inc.	See <sup>B</sup>			
SecurTek Monitoring Solutions Inc. <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Shellbrook Holding, Inc.	See <sup>B</sup>			
SaskTel Investments Inc.	See <sup>B</sup>			
DirectWest Corporation <sup>C</sup>	KPMG LLP	March 31, 2016	Yes	Yes
Qu'Appelle Holding, Inc.	See <sup>B</sup>			
DirectWest Canada Inc.	See <sup>B</sup>			
Bruno Holdings Inc.	See <sup>B</sup>			
Saskatchewan Telecommunications Pension Plan	KPMG LLP	December 31, 2015	Yes	Yes
Saskatchewan Transportation Company <sup>C</sup>	MNP LLP	March 31, 2016	Yes	Yes
Saskatchewan Water Corporation <sup>C</sup>	Deloitte LLP	March 31, 2016	Yes	Yes

\* PAS—Provincial Auditor of Saskatchewan

<sup>A</sup> The Office reviewed the opinions of the appointed auditor on the reliability of financial statements, effectiveness of processes to safeguard public resources, and compliance with authorities. It also reviewed the summary of errors and management letters to boards of the agencies. Where necessary, it followed up with the appointed auditor to clarify issues reported.

<sup>B</sup> Financial statements are not prepared for audit.

<sup>C</sup> The March 31, 2016 financial statements present results of operations for the 15-month period from January 1, 2015 – March 31, 2016.



- <sup>D</sup> Consistent with prior years, the Office examines the supervisory work carried out by the funding agency over STEP as part of its annual audit of the funding agency (i.e., Ministry of the Economy).
- <sup>E</sup> For each of these Regional Health Authorities (RHAs), the Office agreed with the RHAs appointed auditor's qualified audit report on its 2015 financial statements. Because the 2015 financial statements of each of these RHAs contained significant errors, the appointed auditor 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 2015 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 *2015 Report – Volume 2* (p. 104). In 2016, each of these RHAs corrected their financial statements for this matter.
- <sup>F</sup> North Sask. Laundry & Support Services Ltd. was wound-up effective March 31, 2016.
- <sup>G</sup> CIC Foods Inc. was dissolved effective January 23, 2015.
- <sup>H</sup> CIC OSB Products Inc. was dissolved effective March 24, 2016.
- <sup>I</sup> CIC WLSVF Holdings Inc. was dissolved effective January 23, 2015.
- <sup>J</sup> Invest Sask Holdings Inc. was dissolved effective December 22, 2015.
- <sup>K</sup> Investment Saskatchewan Swine Inc. was dissolved effective December 14, 2016.