

## Appendix 2

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

### 1.0 PURPOSE

This Appendix summarizes the Office of the Provincial Auditor's views on the financial statements of agencies audited by appointed auditors. It lists audits in which the Office participated for fiscal periods ending between January 1, 2018 and July 31, 2018.

### 2.0 BACKGROUND

Under *The Provincial Auditor Act*, the Provincial Auditor retains its overall responsibility for audits of all Crown agencies and Crown corporations regardless of who does the audit. The Legislative Assembly allows the Government to appoint auditors to annually audit certain Crown agencies and Crown corporations. **Figure 1** sets out the objectives of the annual audits—we refer to them as annual integrated audits.

The Office, Crown agencies, Crown corporations, and the appointed auditors use the recommendations of the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* to serve the Assembly's needs efficiently and effectively.<sup>1,2</sup> The Office includes the results of annual integrated audits done by appointed auditors in its reports to the Assembly. As the Task Force Report expects, the Office provides the Assembly with its views and participation in the audits of agencies' financial statements with an appointed auditor.

**Figure 1—Objectives of Annual Integrated Audits**

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.

The Government's Summary Financial Statements include the financial results of all agencies controlled by the Government. *Public Accounts 2017-18 – Volume 1* includes the Office's independent auditor's report on the Government's Summary Financial Statements for the year ended March 31, 2018.

<sup>1</sup> For a copy of this report, see our website at [www.auditor.sk.ca](http://www.auditor.sk.ca). The Task Force recommended that the Office give the Assembly a report listing the agencies whose annual integrated audits it participated in.

<sup>2</sup> In June 1994, the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* recommended how the audit system for Crown Investments Corporation of Saskatchewan 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.



### 3.0 THE OFFICE'S VIEWS ON FINANCIAL STATEMENTS AUDITED BY APPOINTED AUDITORS

The table below provides the Office's views and participation on each financial statement audit completed by an appointed auditor for fiscal years ending between January 1, 2018 and July 31, 2018. As noted below, sometimes the Office varies the extent of its participation.

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

#### Listing of the Office's Involvement in Financial Statement Audits of Agencies with an Appointed Auditor

Name of Agency	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
<b>A. Regional Colleges</b>				
Carlton Trail College	Cogent Chartered Professional Accountants LLP	June 30, 2018	Yes	Yes
Cumberland College	NeuPath Group, PC Inc.	June 30, 2018	See <sup>A</sup>	Yes
Great Plains College	Stark & Marsh CPA LLP	June 30, 2018	See <sup>A</sup>	Yes
Northlands College	MNP LLP	June 30, 2018	See <sup>A</sup>	Yes
North West College	Vantage Chartered Professional Accountants	June 30, 2018	Yes	Yes
Parkland College	Miller Moar Grodecki Kreklewich & Chorney	June 30, 2018	Yes	Yes
Southeast College	Cogent Chartered Professional Accountants LLP	June 30, 2018	See <sup>A</sup>	Yes
<b>B. Other Crown Agencies, Special Purpose and Trust Funds</b>				
Agricultural Credit Corporation of Saskatchewan	MNP LLP	March 31, 2018	Yes	Yes
Century Plaza Condominium Corporation	Deloitte LLP	March 31, 2018	Yes	Yes
Community Initiatives Fund	Virtus Group LLP	March 31, 2018	Yes	Yes
Crop Reinsurance Fund of Saskatchewan	KPMG LLP	March 31, 2018	Yes	Yes
Global Transportation Hub Authority, The	Deloitte LLP	March 31, 2018	Yes	Yes
Operator Certification Board	Mintz & Wallace	March 31, 2018	Yes	Yes
Provincial Capital Commission	Virtus Group LLP	March 31, 2018	Yes	Yes
Public Employees' Pension Plan	KPMG LLP	March 31, 2018	Yes	Yes
Saskatchewan Agricultural Stabilization Fund	KPMG LLP	March 31, 2018	Yes	Yes
Saskatchewan Crop Insurance Corporation	KPMG LLP	March 31, 2018	Yes	Yes
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	Virtus Group LLP	March 31, 2018	Yes	Yes

Name of Agency	Appointed Auditor	Year-End Date	PAS+ Participated in Audit	Financial Statements are Reliable
Saskatchewan Research Council	Deloitte LLP	March 31, 2018	Yes	Yes
Saskatchewan Trade and Export Partnership Inc.	KPMG LLP	March 31, 2018	No	See <sup>c</sup>
Water Security Agency	Deloitte LLP	March 31, 2018	Yes	Yes
Tourism Saskatchewan	MNP LLP	March 31, 2018	Yes	Yes
<b>C. Other Agency</b>				
Technical Safety Authority of Saskatchewan, The	MNP LLP	June 30, 2018	Yes	Yes
<b>D. CIC, its Subsidiary Crown Corporations &amp; Other Related Entities</b>				
Crown Investments Corporation of Saskatchewan (CIC)	KPMG LLP	March 31, 2018	Yes	Yes
CIC Economic Holdco Ltd.	See <sup>B</sup>			
First Nations and Métis Fund Inc.	KPMG LLP	March 31, 2018	Yes	Yes
Gradworks Inc. <sup>D</sup>	Dudley & Company LLP	March 31, 2018	Yes	Yes
Saskatchewan Immigrant Investor Fund Inc.	Ernst & Young LLP	March 31, 2018	Yes	Yes
CIC Asset Management Inc.	KPMG LLP	March 31, 2018	Yes	Yes
101069101 Saskatchewan Ltd.	See <sup>B</sup>			
CIC FTLF Holdings Inc.	See <sup>B</sup>			
CIC FTMI Holdings Inc.	See <sup>B</sup>			
CIC Pulp Ltd.	See <sup>B</sup>			
SaskEnergy Incorporated	Deloitte LLP	March 31, 2018	Yes	Yes
Bayhurst Gas Limited	Deloitte LLP	March 31, 2018	Yes	Yes
Bayhurst Energy Services Corporation	See <sup>B</sup>			
BG Storage Inc.	See <sup>B</sup>			
Many Islands Pipe Lines (Canada) Limited	Deloitte LLP	March 31, 2018	Yes	Yes
Saskatchewan First Call Corporation	See <sup>B</sup>			
TransGas Limited	Deloitte LLP	March 31, 2018	Yes	Yes
Saskatchewan Gaming Corporation	KPMG LLP	March 31, 2018	Yes	Yes
SGC Holdings Inc.	KPMG LLP	March 31, 2018	Yes	Yes
Saskatchewan Government Insurance	PricewaterhouseCoopers LLP	March 31, 2018	Yes	Yes
Saskatchewan Auto Fund	PricewaterhouseCoopers LLP	March 31, 2018	Yes	Yes
Saskatchewan Opportunities Corporation	Virtus Group LLP	March 31, 2018	Yes	Yes
Saskatchewan Power Corporation	Deloitte LLP	March 31, 2018	Yes	Yes
SaskPower International Inc.	See <sup>B</sup>			
Northpoint Energy Solutions Inc.	Deloitte LLP	March 31, 2018	Yes	Yes
Saskatchewan Telecommunications Holding Corporation	KPMG LLP	March 31, 2018	Yes	Yes
Saskatchewan Telecommunications	KPMG LLP	March 31, 2018	Yes	Yes



Name of Agency	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Saskatchewan Telecommunications International, Inc.	KPMG LLP	March 31, 2018	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.	KPMG LLP	March 31, 2018	Yes	Yes
Shellbrook Holding, Inc.	See <sup>B</sup>			
SaskTel Investments Inc.	See <sup>B</sup>			
DirectWest Corporation	KPMG LLP	March 31, 2018	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	March 31, 2018	Yes	Yes
Saskatchewan Transportation Company	MNP LLP	March 31, 2018	Yes	Yes
Saskatchewan Water Corporation	Deloitte LLP	March 31, 2018	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 appointed auditor's audit findings (including summary of errors) reported to the boards of the agencies. Where necessary, it followed up with the appointed auditor to clarify issues reported.

<sup>B</sup> Agency does not prepare financial statements for audit.

<sup>C</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 Trade and Export Development).

<sup>D</sup> Gradworks Inc. was dissolved effective March 31, 2018.