

Management's Responsibility for the Financial Statements

Management of the Advocate for Children and Youth is responsible for the accompanying financial statements. The Advocate for Children and Youth maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to obtain reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.


Management of the Advocate for Children and Youth prepares these statements in accordance with Canadian public sector accounting standards, using management's best estimates and judgement when appropriate.

The Provincial Auditor expresses an independent opinion on these statements. Her report provides the scope of her audit and states her opinion.

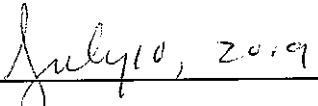
On behalf of the Advocate for Children and Youth.



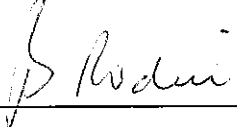
Date



Interim Advocate for Children and Youth



Date



Director of Administration

OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH

FINANCIAL STATEMENTS

For the Year Ended March 31, 2019

MMW
9/27/19

OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
Statement of Financial Position
As at March 31

| | <u>2019</u> | <u>2018</u> |
|--|------------------|------------------|
| ASSETS | | |
| Financial assets | | |
| Due from the General Revenue Fund | \$ 95,043 | \$ 105,009 |
| Accounts receivable | <u>25</u> | <u>745</u> |
| Total financial assets | <u>95,068</u> | <u>105,754</u> |
| Liabilities | | |
| Accounts payable | 58,387 | 66,833 |
| Accrued employee costs | 5,595 | 7,397 |
| Accrued leave entitlements | <u>31,086</u> | <u>31,524</u> |
| Total liabilities | <u>95,068</u> | <u>105,754</u> |
| Net debt (Statement 3) | <u>-</u> | <u>-</u> |
| Non - financial assets | | |
| Tangible capital assets (Note 3) | 55,373 | 55,944 |
| Prepaid expenses | <u>8,869</u> | <u>8,171</u> |
| Total non-financial assets | <u>64,242</u> | <u>64,115</u> |
| Accumulated surplus (Statement 2) | <u>\$ 64,242</u> | <u>\$ 64,115</u> |
| Contractual obligations (Note 9) | | |

(See accompanying notes to the financial statements)

OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
Statement of Operations and Accumulated Surplus
For the Year Ended March 31

| | <u>2019</u> Budget (Note 4) | <u>2019</u> Actual | <u>2018</u> Actual |
|---|-----------------------------------|-----------------------|-----------------------|
| Revenue | | | |
| General Revenue Fund Appropriation | \$ 2,684,000 | \$ 2,664,227 | \$ 2,684,181 |
| Miscellaneous Revenue (refund) | - | (647) | 515 |
| Total Revenue | <u>2,684,000</u> | <u>2,663,580</u> | <u>2,684,696</u> |
| Expenses | | | |
| Advertising, promotion, and events | 38,000 | 59,592 | 70,004 |
| Amortization (Note 3) | - | 18,684 | 95,958 |
| Communication | 43,780 | 31,372 | 28,728 |
| Dues and fees | 9,860 | 9,256 | 7,629 |
| Miscellaneous services | 84,800 | 185,786 | 145,759 |
| Office space and equipment rental | 273,350 | 241,314 | 262,954 |
| Office supplies and expenses | 14,710 | 29,424 | 17,262 |
| Repairs and maintenance | 24,500 | 23,499 | 21,907 |
| Salaries and other employment expenses | 2,094,560 | 1,888,688 | 1,955,081 |
| Travel | 100,440 | 175,838 | 150,358 |
| Total Expenses | <u>2,684,000</u> | <u>2,663,453</u> | <u>2,755,640</u> |
| Operating surplus (deficit) | \$ <u>-</u> | 127 | (70,944) |
| Accumulated surplus, beginning of year | | <u>64,115</u> | <u>135,059</u> |
| Accumulated surplus, end of year (Statement 1) | | \$ <u>64,242</u> | \$ <u>64,115</u> |

(See accompanying notes to the financial statements)

OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
Statement of Changes in Net Debt
For the year ended March 31

| | <u>2019</u> | <u>2018</u> |
|--|--------------------|--------------------|
| Operating Surplus/(Deficit) | \$ <u>127</u> | \$ <u>(70,944)</u> |
| Acquisition of tangible capital assets (Note 3) | (18,113) | (22,801) |
| Amortization of tangible capital assets (Note 3) | <u>18,684</u> | <u>95,958</u> |
| | <u>571</u> | <u>73,157</u> |
| Acquisition of prepaid expenses | (8,869) | (8,171) |
| Use of prepaid expenses | <u>8,171</u> | <u>5,958</u> |
| | <u>(698)</u> | <u>(2,213)</u> |
| Decrease (increase) in net debt | - | - |
| Net debt, beginning of year | - | - |
| Net debt, end of year (Statement 1) | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |

(See accompanying notes to the financial statements)

OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
Statement of Cash Flows
For the Year Ended March 31

| Cash flows from (used in) operating activities: | <u>2019</u> | <u>2018</u> |
|--|--------------------|--------------------|
| General Revenue Fund appropriation received | \$ 2,674,913 | \$ 2,733,836 |
| Miscellaneous revenue received (refund) | <u>(647)</u> | <u>515</u> |
| Cash provided by operations | <u>2,674,266</u> | <u>2,734,351</u> |
| Salaries paid | (1,890,928) | (1,957,330) |
| Supplies and other expenses paid | <u>(765,225)</u> | <u>(754,221)</u> |
| Cash (used in) operations | <u>(2,656,153)</u> | <u>(2,711,551)</u> |
| Cash provided from operating activities | <u>18,113</u> | <u>22,801</u> |
| Cash flows used in capital activities: | | |
| Acquisition of tangible capital assets (Note 3) | <u>(18,113)</u> | <u>(22,801)</u> |
| Cash used in capital activities | <u>(18,113)</u> | <u>(22,801)</u> |
| Increase (decrease) in cash | - | - |
| Cash, beginning of year | - | - |
| Cash, end of year | <u>\$ -</u> | <u>\$ -</u> |

(See accompanying notes to the financial statements)

**OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019**

1. Authority and Description of Operations

The Advocate for Children and Youth Act establishes the Office of the Advocate for Children and Youth (Office). The Advocate is an officer of the Legislative Assembly and is appointed by resolution of the Assembly. The mandate of the Office is to provide advocacy on behalf of children and youth receiving services from a provincial ministry, agency, or publicly-funded health entity; investigate any matter concerning or services provided to children and youth by any provincial ministry, agency, or publicly-funded health entity; undertake public education to raise awareness of the rights, interests and well-being of children and youth; and research and advise any Minister responsible on any matter relating to the rights, interests and well-being of children and youth.

The Office is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards. The Office maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to obtain reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.

2. Significant Accounting Policies

These financial statements are prepared using Canadian public sector accounting standards. These statements do not include a Statement of Remeasurement Gains and Losses as the Office has no activities that give rise to remeasurement gains or losses. As a result, its accumulated surplus is the same as its accumulated operating surplus. The following accounting policies are considered to be significant.

(a) Revenue

The Office receives an appropriation from the General Revenue Fund to carry out its work. General Revenue Fund appropriations are included in revenue when amounts are spent or committed.

(b) Tangible capital assets

Tangible capital assets are reported at cost less accumulated amortization. Tangible capital assets are capitalized when the purchase amount is at or above the thresholds noted below for each category and amortized on a straight-line basis over the indicated time period:

| | |
|-------------------------|---|
| Computer Hardware | \$2,500 / 5 years |
| Computer Software | \$2,500 / 5 years |
| Furniture and Equipment | \$2,500 / 5 years |
| Leasehold Improvements | \$2,500 / Lesser of remaining useful life or current lease term |

(c) Accrued employee and leave entitlement costs

Accrued employee costs include the value of salary payable amounts, severance owed to staff, and accrued leave entitlements (including estimated sick leave accrual), which are recorded as a liability owed to staff at year end.

The Office estimates its sick leave obligation based on accumulated sick leave entitlements. A liability for vesting or accumulating sick leave is recorded in the year the employee provides services in return for the sick leave benefits. This liability is only recorded if it is expected to be significant to the organization.

3. Tangible Capital Assets

| | 2019 | | | | Total 2019 | Total 2018 |
|---------------------------------------|------------------------|--------------------------|---------------------------|--|------------------|------------------|
| | Hardware & Software | Furniture & Equipment | Leasehold Improvements | Work in Progress System Development | | |
| Cost, April 1 | \$ 97,597 | \$ 9,720 | \$ 389,957 | \$ - | \$ 497,274 | \$ 474,473 |
| Additions | 3,220 | 4,558 | - | 10,335 | 18,113 | 22,801 |
| Disposals | - | - | - | - | - | - |
| Cost, March 31 | <u>100,817</u> | <u>14,278</u> | <u>389,957</u> | <u>10,335</u> | <u>515,387</u> | <u>497,274</u> |
| Accumulated amortization, April 1 | 45,242 | 6,131 | 389,957 | - | 441,330 | 345,372 |
| Annual amortization | 16,576 | 2,108 | - | - | 18,684 | 95,958 |
| Adjustment for disposals | - | - | - | - | - | - |
| Accumulated amortization, March 31 | <u>61,818</u> | <u>8,239</u> | <u>389,957</u> | <u>-</u> | <u>460,014</u> | <u>441,330</u> |
| Net Book Value, March 31 | <u>\$ 38,999</u> | <u>\$ 6,039</u> | <u>\$ -</u> | <u>\$ 10,335</u> | <u>\$ 55,373</u> | <u>\$ 55,944</u> |

**OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019**

4. Budget

These amounts reflected on an expense basis represent funds approved by the Legislative Assembly to enable the Advocate to carry out the Office's duties under *The Advocate for Children and Youth Act*.

The amount appropriated for the year was \$2,684,000.

5. Lapsing of appropriation

The Office follows *The Financial Administration Act, 1993* with regards to its spending. If the Office spends less than its appropriation by March 31, the difference is not available to acquire goods and services in the next fiscal year.

6. Costs borne by and services provided by other agencies

The Office has not been charged with certain administrative costs and employee benefit costs. These costs are borne by the Legislative Assembly and the Ministry of Finance. No provision for these costs is reflected in these financial statements.

7. Financial Instruments

The Office's financial instruments include due from the General Revenue Fund, accounts receivable, accounts payable, accrued employee costs, and accrued leave entitlements. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no significant interest rate and credit risk.

8. Pension Plan

The Office participates in a defined contribution pension plan for the benefit of its employees. The Office's financial obligation of the plan is limited to making payments of 5% of employee's salaries for current service. Pension costs are not included in the Office's financial statements as these costs are borne by other agencies (Note 6).

9. Contractual Obligations

The Office has entered into a lease agreement expiring on January 31, 2022. Annual costs for 2019-20 are estimated to be \$206,920.

The Office has entered an agreement with a vendor to receive Information Technology Services on an annual basis until March 31, 2020. The total annual commitments for 2019-20 are \$31,228.