

**OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH**

**FINANCIAL STATEMENTS**

**For the Year Ended March 31, 2025**



## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

### Opinion

We have audited the financial statements of the Office of the Advocate for Children and Youth, which comprise the statement of financial position as at March 31, 2025, and the statements of operations and accumulated surplus, changes in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Office of the Advocate for Children and Youth as at March 31, 2025, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Office of the Advocate for Children and Youth in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Office of the Advocate for Children and Youth's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Office of the Advocate for Children and Youth or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office of the Advocate for Children and Youth's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



PROVINCIAL AUDITOR  
of Saskatchewan

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Advocate for Children and Youth's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Advocate for Children and Youth's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office of the Advocate for Children and Youth to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan  
September 3, 2025

A handwritten signature in black ink that reads "T. Clemett".

Tara Clemett, CPA, CA, CISA  
Provincial Auditor  
Office of the Provincial Auditor

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

	<u>2025</u>	<u>2024</u>
<b>Financial assets</b>		
Due from the General Revenue Fund	\$ 425,061	\$ 139,373
Accounts receivable	607	7,921
Total financial assets	<u>425,668</u>	<u>147,294</u>
<b>Liabilities</b>		
Accounts payable	389,295	100,547
Accrued employee costs	-	1,001
Accrued leave entitlements	36,373	45,746
Total liabilities	<u>425,668</u>	<u>147,294</u>
<b>Net debt (Statement 3)</b>	<u>-</u>	<u>-</u>
<b>Non - financial assets</b>		
Tangible capital assets (Note 3)	720,205	131,482
Prepaid expenses	574	150
Total non-financial assets	<u>720,779</u>	<u>131,632</u>
<b>Accumulated surplus (Statement 2)</b>	<u>\$ 720,779</u>	<u>\$ 131,632</u>
<b>Contractual obligations (Note 7)</b>		

(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>2025</u> Budget (Note 4)	<u>2025</u> Actual	<u>2024</u> Actual
<b>Revenue</b>			
General Revenue Fund Appropriation	\$ 3,041,000	3,152,535	\$ 2,709,273
Miscellaneous Revenue	-	(114)	24
Total Revenue	<u>3,041,000</u>	<u>3,152,421</u>	<u>2,709,297</u>
<b>Expenses</b>			
Advertising, promotion, and events	53,540	29,927	317,642
Amortization (Note 3)	-	26,382	19,603
Bad Debt expense	-	2,770	-
Communication	33,200	31,872	30,223
Dues and fees	14,500	5,373	19,106
Miscellaneous services	167,425	150,008	174,117
Office space and equipment rental	276,320	248,091	267,360
Office supplies and expenses	16,610	14,330	14,705
Repairs and maintenance	14,140	18,577	15,115
Salaries and other employment expenses	2,362,600	1,907,394	1,785,769
Travel	102,665	128,550	95,729
Total Expenses	<u>3,041,000</u>	<u>2,563,274</u>	<u>2,739,369</u>
<b>Operating surplus (deficit)</b>	<u>\$ -</u>	589,147	(30,072)
Accumulated surplus, beginning of year		<u>131,632</u>	<u>161,704</u>
<b>Accumulated surplus, end of year (Statement 1)</b>		<u>\$ 720,779</u>	<u>\$ 131,632</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>2025</u>	<u>2024</u>
<b>Operating (Deficit)/Surplus</b>	\$ 589,147	\$ (30,072)
Acquisition of tangible capital assets (Note 3)	(615,105)	-
Amortization of tangible capital assets (Note 3)	<u>26,382</u>	<u>19,603</u>
	<u>(588,723)</u>	<u>19,603</u>
Acquisition of prepaid expenses	(574)	(150)
Use of prepaid expenses	<u>150</u>	<u>10,619</u>
	<u>(424)</u>	<u>10,469</u>
<b>Decrease (increase) in net debt</b>	-	-
Net debt, beginning of year	-	-
<b>Net debt, end of year (Statement 1)</b>	\$ <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**

<b>Cash flows from (used in) operating activities:</b>	<u>2025</u>	<u>2024</u>
General Revenue Fund appropriation received	\$ 2,874,161	\$ 2,670,376
Miscellaneous revenue (refund) received	(114)	24
Cash provided by operations	<u>2,874,047</u>	<u>2,670,400</u>
Salaries paid	(1,917,768)	(1,768,272)
Supplies and other expenses paid	(341,174)	(902,128)
Cash (used in) operations	<u>(2,258,942)</u>	<u>(2,670,400)</u>
Cash provided from operating activities	<u>615,105</u>	<u>-</u>
 <b>Cash flows used in capital activities:</b>		
Acquisition of tangible capital assets (Note 3)	<u>(615,105)</u>	<u>-</u>
Cash (used) in capital activities	<u>(615,105)</u>	<u>-</u>
<b>Increase (decrease) in cash</b>	-	-
Cash, beginning of year	-	-
<b>Cash, end of year</b>	<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, 2025**

**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
System Development	\$2,500 / 10 years
Leasehold Improvements	\$2,500 / Lesser of remaining useful life or current lease term

(c) Accrued employee costs and leave entitlements

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.

(d) Financial Instruments

The Office's financial instruments include accounts receivable, accounts payable, accrued employee costs, accrued leave entitlements, and due from the General Revenue Fund. All financial instruments are carried at amortized cost which approximates fair value due to their immediate or short-term maturity. These instruments have no significant exposure to interest rate, credit or liquidity risks.

**OFFICE OF THE ADVOCATE FOR CHILDREN AND YOUTH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2025**

**3. Tangible Capital Assets**

	2025					Total 2025	Total 2024
	Hardware & Software	Furniture	Leasehold Improvements	Work-in- Progress Leasehold Improvements	System Development		
Cost, April 1	\$ 75,415	14,277	389,957	-	145,993	625,642	\$ 640,642
Additions	53,306	-	-	561,800	-	615,105	-
Disposals	-	-	-	-	-	-	(15,000)
Cost, March 31	<u>128,721</u>	<u>14,277</u>	<u>389,957</u>	<u>561,800</u>	<u>145,993</u>	<u>1,240,747</u>	<u>625,642</u>
Accumulated amortization, April 1	74,293	14,277	389,957	-	15,633	494,160	489,557
Annual amortization	11,783	-	-	-	14,599	26,382	19,603
Adjustment for disposals	-	-	-	-	-	-	(15,000)
Accumulated amortization, March 31	<u>86,076</u>	<u>14,277</u>	<u>389,957</u>	<u>-</u>	<u>30,232</u>	<u>520,542</u>	<u>494,160</u>
Net Book Value, March 31	\$ <u>42,645</u>	\$ <u>-</u>	\$ <u>-</u>	<u>561,800</u>	<u>115,761</u>	\$ <u>720,205</u>	\$ <u>131,482</u>

**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 \$3,041,000.

During the year additional funding was approved by Special Warrant in the amount of \$189,000. Special Warrant funding was approved by the Board of Internal Economy on December 10, 2024.

**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. Contractual Obligations**

The current lease of office space was extended to May 31, 2025. Payments under this signed lease agreement were \$38,157 before any economic adjustments. The lease was extended in April 2025 to the end of June 2025. During 2024-25, the Office signed a 10-year lease for new office space starting June 1, 2025. Annual lease payments are \$339,235 before any economic adjustments.

On April 13, 2022, the Office signed an agreement for the rental of art for the period commencing May 1, 2022 to April 30, 2025. The annual commitment for 2025-26 is estimated to be \$88.

The Office has entered into an agreement with a vendor to receive information technology services and rental of equipment on an annual basis until March 31, 2027. The total annual commitment for 2025-26 is estimated to be \$63,074 including any applicable taxes.

The Office has entered into an agreement with a vendor to receive maintenance and hosting of the case management system on an annual basis until March 31, 2028 commencing April 1, 2024. The total annual commitment for 2025-26 is estimated to be \$31,600 plus any applicable taxes.

**8. Future changes in Accounting Standards**

On April 1, 2026, the Office will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

a) The Conceptual Framework for Financial Reporting in The Public Sector

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Sections PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards

b) PS 1202 Financial Statement Presentation

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of the conceptual framework and the standard on financial statements.