

Government House Foundation

Financial Statements

March 31, 2015



INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Government House Foundation, which comprise the statement of financial position as at March 31, 2015, and the statement of operations and accumulated surplus and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 for Treasury Board's approval, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government House Foundation as at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
June 16, 2015


Judy Ferguson, FCPA, FCA
Provincial Auditor

GOVERNMENT HOUSE FOUNDATION
Statement of Financial Position
As at March 31, 2015
(in dollars)

	2015	2014
Financial Assets		
Due from General Revenue Fund (<i>note 3</i>)	75,373	115,871
Accounts receivable	750	750
Interest receivable	150	279
Total Financial Assets	76,273	116,900
 Liabilities		
Accounts payable and accrued liabilities	-	-
Total Liabilities	-	-
 Net Financial Assets	76,273	116,900
 Accumulated Surplus	76,273	116,900

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2015
(in dollars)

	Annual Budget (note 4)	2015	2014
Revenue			
Grant	-	-	12,682
Donations	-	-	15,400
Food service	-	-	1,601
Interest	1000	780	1,091
Total Revenue	1000	780	30,774
Expense			
Food service	-	-	1,436
Meetings	100	-	-
Printing and courier	300	310	310
Total Operating Expense	400	310	1,746
Government House Revitalization Project	-	-	(13,565)
Youth Mentorship Program	28,000	26,097	18,048
Historical Vignettes	15,000	15,000	-
Total Expenses	43,400	41,407	6,229
(Deficit)/Surplus	(42,400)	(40,627)	24,545
Accumulated Surplus, Beginning of year	116,900	116,900	92,355
Accumulated Surplus, End of Year	74,500	76,273	116,900

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Cash Flows
For the year ended March 31, 2015
(in dollars)

	2015	2014
Operating Activities		
(Deficit)/Surplus	(40,627)	24,545
Decrease in receivables	129	(741)
Decrease in accounts payable and accrued liabilities	-	(13,565)
Decrease in deferred revenue	-	(682)
Cash (Used In)/Provided By Operating Activities	(40,498)	9,557
(Decrease)/Increase in Cash	(40,498)	9,557
Cash, beginning of year	115,871	106,314
Cash, End of Year	75,373	115,871
 Cash consists of:		
Due from General Revenue Fund	75,373	115,871

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION

Notes to the Financial Statements

As at March 31, 2015

(in dollars)

1. Authority

The Government House Foundation (Foundation) was established on January 21, 2002 by *The Government House Foundation Regulations* and falls under the authority of *The Historic Properties Foundations Act*. Government House was designated as a Provincial Heritage Property on August 26, 1981.

The mandate of the Foundation is:

- a) To preserve and enhance the Government House; and
- b) To promote public awareness of:
 - the character, setting and decor of the Government House;
 - the historic and cultural values of the Government House;
 - the significant events in the governance of Saskatchewan; and
 - the history of Saskatchewan generally.

Funding for the Foundation is obtained primarily through gifts, grants, bequests, donations and interest revenue.

2. Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Canadian Public Sector Accounting Board. A statement of change in net financial assets has not been prepared as the information is readily determinable from the other statements. These statements do not present a statement of re-measurement gains and losses because all financial instruments are measured at amortized cost. The following accounting policies are considered significant:

a) Revenue

Grants

Government grants are recognized as revenue when the transfer is authorized, eligibility criteria have been met and transfer stipulations have been fulfilled.

Donations

Donations are recorded as revenue in the fiscal period in which they are received by the Foundation. Donations-in-kind are recorded at fair market value on the date of their donation.

Restricted contributions

Externally restricted contributions are deferred and recognized as revenue in the year expenses are incurred for the specified purpose.

GOVERNMENT HOUSE FOUNDATION
Notes to the Financial Statements
As at March 31, 2015
(in dollars)

Food Service

In previous years, the Foundation supported a food service program at Government House known as the "Butler's Pantry". The program was operated on a cost recovery basis and revenue is recognized as received. This program was discontinued in the 2014-15 year.

Interest revenue

Interest revenue is recorded when earned.

b) Use of Estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. The estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the Statement of Operations and Accumulated Surplus in the period in which they become known. Actual results could differ from those estimates.

c) Fair Value

The Foundation's financial instruments include Due from the General Revenue Fund, accounts receivable, interest receivable and accounts payable and accrued liabilities. 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.

3. Due from General Revenue Fund

The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. The Foundation earns interest on a quarterly basis, calculated on the Government's thirty-day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty-day borrowing rate for the year was .92% (2014 – 1.02%).

4. Budget

The 2014/15 budget was approved at the Annual General Meeting by the Board of Trustees on June 23, 2014.

5. Related Party Transactions

The Foundation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan; Saskatchewan Crown agencies; non-Crown enterprises that the Government jointly controls or significantly influences; and trustees and their corporations over which they have significant control. The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

GOVERNMENT HOUSE FOUNDATION

Notes to the Financial Statements

As at March 31, 2015

(in dollars)

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. Provincial Sales Tax to the Saskatchewan Ministry of Finance is included in the cost of the related purchases.

The Ministries of Government Relations and Parks, Culture and Sport provided administrative services at no charge to the Foundation.

The following table summarizes the related party transactions for the year.

(in dollars)	2015	2014
Accounts receivable	750	750
Interest receivable	150	279
Grant revenue	-	12,000
Interest revenue	780	1,091

6. Changes in Accounting Standards

The new accounting standard of the Public Sector Accounting Board (PSAB): PS 3260 Liability for Contaminated Sites was effective April 1, 2014. This standard had no impact on the Foundation's financial statements.

7. Future Changes in Accounting Standards

A number of new standards and amendments to standards issued by PSAB are not yet effective and have not been applied in preparing these financial statements.

The Foundation plans to adopt the following new or amended standards on their effective date and is currently analyzing the impact these may have on the financial statements.

- Public Sector Handbook Introduction (effective January 1, 2017)
- Related Party Disclosures (effective April 1, 2017)
- Assets (effective April 1, 2017)
- Contingent Assets (effective April 1, 2017)
- Contractual Rights (effective April 1, 2017)

The Foundation has assessed that the following new or amended standards will have no effect on the financial statements.

- Inter-Entity Transaction (effective April 1, 2017)
- Restructuring Transactions (effective April 1, 2018)