

WATER APPEAL BOARD

FINANCIAL STATEMENTS

For the Period Ended March 31, 2015



INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of Water Appeal Board, which comprise the statement of financial position as at March 31, 2015, and the statements of operations and accumulated surplus, change in net financial assets and 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 Water Appeal Board as at March 31, 2015, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Judy Ferguson, FCPA, FCA
Provincial Auditor

Regina, Saskatchewan
July 6, 2015

**WATER APPEAL BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31, 2015**

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash	\$ 25,098	\$ 41,304
Accounts receivable	<u>8</u>	<u>18</u>
	25,106	41,322
LIABILITIES		
Accounts payable	20	1,759
Appellant deposits (Note 3)	<u>600</u>	<u>1,000</u>
	<u>620</u>	<u>2,759</u>
NET FINANCIAL ASSETS	<u>24,486</u>	<u>38,563</u>
ACCUMULATED SURPLUS (Statement 2)	<u>\$ 24,486</u>	<u>\$ 38,563</u>

(See accompanying notes to the financial statements)

WATER APPEAL BOARD
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended March 31st

	<u>Budget</u> (Note 6)	<u>2015</u> Actual	<u>2014</u> Actual
Revenues:			
Transfer from General Revenue Fund – Ministry of Environment	\$ 77,060	\$ 35,000	\$ 31,305
Interest	--	218	174
Appellant fees (Note 3)	--	400	400
Other	--	--	20
	<u>77,060</u>	<u>35,618</u>	<u>31,899</u>
Expenses:			
Board honoraria	20,815	9,602	4,708
Travel and sustenance	15,910	4,374	3,100
Secretarial services	16,680	24,266	16,188
Professional fees	8,640	--	175
Office supplies	3,555	3,554	2,925
Meeting room rental	3,200	2,391	1,261
Office rental	4,800	3,648	4,707
Telephone	2,460	1,720	1,195
Accounting and printing services	1,000	140	326
Office Equipment	--	--	1,492
	<u>77,060</u>	<u>49,695</u>	<u>36,077</u>
(Deficit) for the period	<u>\$ --</u>	<u>(14,077)</u>	<u>(4,178)</u>
Accumulated surplus, beginning of period		<u>38,563</u>	<u>42,741</u>
Accumulated surplus, end of period (Statement 1)		<u>\$ 24,486</u>	<u>\$38,563</u>

(See accompanying notes to the financial statements)

WATER APPEAL BOARD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended March 31st

	<u>2015</u>		<u>2014</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 6)		
(Deficit) for the period	-- \$	(14,077)	\$ (4,178)
(Decrease) in net financial assets	--	(14,077)	(4,178)
Net financial assets, beginning of period	<u>38,563</u>	<u>38,563</u>	<u>42,741</u>
Net financial assets, end of period	<u>\$ 38,563</u>	<u>\$ 24,486</u>	<u>\$ 38,563</u>

(See accompanying notes to the financial statements)

**WATER APPEAL BOARD
STATEMENT OF CASH FLOWS
For the Year Ended March 31st**

	<u>2015</u>	<u>2014</u>
Cash flows from (used in) operating activities:		
Transfer from General Revenue Fund –		
Ministry of Environment	\$ 35,000	\$ 31,305
Receipts from appellants	200	800
Receipts from customers	--	277
Interest received	227	156
Deposits returned to appellants	(200)	--
Payments to board members for honoraria, travel		
and sustenance	(14,235)	(9,269)
Payments to suppliers	<u>(37,198)</u>	<u>(28,321)</u>
	<u>(16,206)</u>	<u>(5,052)</u>
Net Increase (decrease) in cash	<u>(16,206)</u>	<u>(5,052)</u>
Cash, beginning of period	<u>41,304</u>	<u>46,356</u>
Cash, end of period	<u>\$ 25,098</u>	<u>\$ 41,304</u>

(See accompanying notes to the financial statements)

**WATER APPEAL BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2015**

1. Authority

The Water Appeal Board (Board) was established under *The Water Appeal Board Act*, on July 1, 1984. The purpose of the Board is to hear and determine appeals made pursuant to *The Water Security Agency Act, 2005*.

Ongoing operations of the Board are dependent on the funding from the Government of Saskatchewan.

The Water Appeal Board is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards. The Water Appeal Board 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

Pursuant to standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada, the Board is classified as an other government organization. The financial statements have been prepared in accordance with Canadian public sector accounting standards. The following accounting policies are considered significant.

a) Revenue

The transfer from the General Revenue Fund- Ministry of Environment is recognized in the period during which it is authorized and any eligibility criteria have been met.

b) Appellant fees

Appellant deposits are recognized as appellant fee revenue when the appeals have been heard and decided against the appellant.

c) Statement of Remeasurement Gains and Losses

A statement of remeasurement gains and losses has been omitted as there were no relevant transactions to report

3. Appellant Deposits

Appellant deposits are held by the Board until the appeals have been heard and the decisions rendered. Once the decisions have been rendered by the Board these deposits are dealt with in one of two manners:

- i) The deposit is returned if the appellant has been successful in his/her appeal.
- ii) The deposit is retained by the Board and recorded as income if the appellant is not successful in his/her appeal.

There were four outstanding appeals at the beginning of the 2014-2015 fiscal year, which were heard in November and January of this fiscal year. There was one new appeal received in the 2014-15 fiscal year which was heard on April 17, 2015.

4. Financial Instruments

The Board's financial instruments include cash, accounts receivable, accounts payable and appellant deposits. The fair value of these instruments approximates their carrying value due to the immediate or short-term nature of these financial instruments. These instruments have no significant interest rate and credit risk.

5. Related Party Transactions

These financial statements include transactions with related parties. The Board is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Board is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions, and amounts outstanding at year end, are as follows:

As of February 1st, 2015, the Water Appeal Board no longer incurs the expense of rent. The Board's office space has relocated to Lloyd Place and the Ministry of Environment is providing the office space without charge.

<u>Category</u>	<u>2015</u>	<u>2014</u>
Revenue - Other	\$ 0	\$ 0
Expenses - Office rental	3648	4,707
- Telephone	1720	1,090
- Mail services	240	260
Accounts receivable	0	0
Accounts payable	20	145

The Board pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

6. Budget

These amounts represent the budget approved by the Water Appeal Board on February 20, 2014.