

**PROVINCIAL ADVISORY COUNCIL
ON THE STATUS OF WOMEN -
NEWFOUNDLAND AND LABRADOR**

FINANCIAL STATEMENTS

MARCH 31, 2016

Management's Report

Management's Responsibility for the Provincial Advisory Council on the Status of Women – Newfoundland and Labrador Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

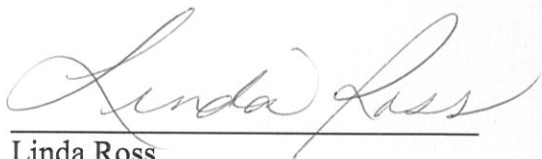
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Council members are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through participation in Council meetings. The Council members review internal financial information on a quarterly basis and external audited financial statements yearly.

The Auditor General conducts an independent audit of the annual financial statements of the Council, in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Auditor General has full and free access to financial management of the Provincial Advisory Council on the Status of Women - Newfoundland and Labrador.

On behalf of the Provincial Advisory Council on the Status of Women - Newfoundland and Labrador.



Linda Ross
President/CEO



**AUDITOR
GENERAL**
of Newfoundland and Labrador

INDEPENDENT AUDITOR'S REPORT

To the Council members
Provincial Advisory Council on the Status
of Women - Newfoundland and Labrador
St. John's, Newfoundland and Labrador

Report on the Financial Statements

I have audited the accompanying financial statements of the Provincial Advisory Council on the Status of Women - Newfoundland and Labrador which comprise the statement of financial position as at March 31, 2016, the statements of operations, 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, 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.

Independent Auditor's Report (cont.)

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 Provincial Advisory Council on the Status of Women - Newfoundland and Labrador as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink, appearing to read 'T. Paddon', with a long horizontal line extending to the right.

TERRY PADDON, CPA, CA
Auditor General

August 25, 2016
St. John's, Newfoundland and Labrador

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR**

STATEMENT OF FINANCIAL POSITION

For the Year Ended March 31

2016

2015

FINANCIAL ASSETS

Cash (Note 3)	\$ 178,267	\$ 168,226
Accounts receivable (Note 4)	5,556	5,477
	183,823	173,703

LIABILITIES

Accounts payable and accrued liabilities (Note 5)	25,053	25,534
	25,053	25,534
Net financial assets	158,770	148,169

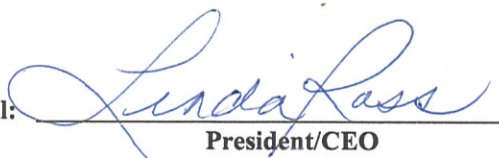
NON-FINANCIAL ASSETS

Tangible capital assets, net (Note 6)	4,115	2,765
Prepaid expenses (Note 7)	6,898	7,609
	11,013	10,374
Accumulated surplus	\$ 169,783	\$ 158,543

Contractual obligations (Note 8)

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

Signed on behalf of the Council:


President/CEO


Member

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR**

STATEMENT OF OPERATIONS

For the Year Ended March 31

	2016 Budget	2016 Actual	2015 Actual
(Note 12)			
REVENUES			
Province of Newfoundland and Labrador operating grant	\$ 446,300	\$ 446,300	\$ 430,100
Interest	-	3,010	3,273
<i>Ovations</i> revenue (Note 10)	-	-	615
	446,300	449,310	433,988
EXPENSES (Note 11)			
Administration	400,690	374,130	389,272
Advisement of Government	36,060	32,355	27,648
<i>Ovations</i> expense (Note 10)	-	25,121	16,597
Public Awareness and Engagement	9,550	6,464	8,335
	446,300	438,070	441,852
Annual surplus (deficit)	-	11,240	(7,864)
Accumulated surplus, beginning of year	158,543	158,543	166,407
Accumulated surplus, end of year	\$ 158,543	\$ 169,783	\$ 158,543

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

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR**

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended March 31

	2016 Budget	2016 Actual	2015 Actual
(Note 12)			
<u>Annual surplus (deficit)</u>	\$ -	\$ 11,240	\$ (7,864)
Tangible capital assets			
Acquisition of tangible capital assets	-	(4,184)	(3,133)
<u>Amortization of tangible capital assets</u>	-	2,834	5,050
	-	(1,350)	1,917
Prepaid expenses			
Acquisition of prepaid expense	-	(6,898)	(7,609)
<u>Use of prepaid expense</u>	-	7,609	11,687
	-	711	4,078
Increase (decrease) in net financial assets	-	10,601	(1,869)
<u>Net financial assets, beginning of year</u>	148,169	148,169	150,038
<u>Net financial assets, end of year</u>	\$ 148,169	\$ 158,770	\$ 148,169

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

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR**

STATEMENT OF CASH FLOWS

For the Year Ended March 31

2016

2015

Operating transactions

Annual surplus (deficit)	\$ 11,240	\$ (7,864)
Adjustment for non-cash items		
Amortization of tangible capital assets	2,834	5,050
	14,074	(2,814)
Change in non-cash working capital		
Accounts receivable	(79)	12,389
Accounts payable and accrued liabilities	(481)	(9,664)
Prepaid expenses	711	4,078
Cash provided from operating transactions	14,225	3,989
Capital transactions		
Cash used to acquire tangible capital assets	(4,184)	(3,133)
Cash applied to capital transactions	(4,184)	(3,133)
Increase in cash	10,041	856
Cash, beginning of year	168,226	167,370
Cash, end of year	\$ 178,267	\$ 168,226

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

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR**
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

1. Nature of operations

The Provincial Advisory Council on the Status of Women - Newfoundland and Labrador (the Council) is a Crown corporation of the Province of Newfoundland and Labrador, established under the *Status of Women Advisory Council Act*. The purpose of the Council is to advise the Minister responsible for the Status of Women, the Government and the public on matters of interest and concern to women. Its affairs are managed by Council members appointed by the Lieutenant-Governor in Council.

The Council is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

(a) Basis of accounting

The Council is classified as an Other Government Organization as defined by Canadian Public Sector Accounting Standards (CPSAS). These financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Canadian Public Sector Accounting Board. The Council does not prepare a statement of re-measurement gains and losses as the Council does not enter into relevant transactions or circumstances that are being addressed by the statement.

(b) Financial instruments

The Council's financial instruments recognized in the statement of financial position consist of cash, accounts receivable and accounts payable and accrued liabilities. The Council generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

The Council subsequently measures all of its financial assets and financial liabilities at cost. Financial assets measured at cost include cash and accounts receivable. Financial liabilities measured at cost include accounts payable and accrued liabilities.

(c) Cash

Cash includes cash in the bank.

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

2. Summary of significant accounting policies (cont.)

(d) Tangible capital assets

Tangible capital assets are recorded at cost, including amounts that are directly related to the acquisition of the assets.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and equipment	5 years
Computer hardware and software	3 years
Leasehold improvements	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Council's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

(e) Prepaid expenses

Prepaid expenses are charged to the expense over the periods expected to benefit from it.

(f) Employee future benefits

The employees of the Council are subject to the *Public Service Pensions Act, 1991*. Employee contributions are matched by the Council and remitted to the Public Service Pension Plan Corporation from which pensions will be paid to employees when they retire. This plan is a multi-employer, defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best six years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best 5 years of earnings up to January 1, 2015, or the average of the best 6 years of earnings for all service.

The contribution of the Council to the plan is recorded as an expense for the year.

(g) Revenues

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

2. Summary of significant accounting policies (cont.)

(g) Revenues (cont.)

The Council recognizes the receipt of government transfers as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the Council.

Government transfers consist of funding from the Province of Newfoundland and Labrador. Income attributable to financial instruments is reported in the statement of operations.

(h) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Transfers, which include grants and subsidies, are recorded as expenses when the grant is authorized, eligibility criteria have been met by the recipient and a reasonable estimate of the amount can be made.

(i) Measurement uncertainty

The preparation of financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

3. Cash

	<u>2016</u>	<u>2015</u>
Cash	\$ 178,267	\$ 141,490
<u>Designated cash - <i>Ovations</i> (Note 10)</u>	<u>-</u>	<u>26,736</u>
	<u>\$ 178,267</u>	<u>\$ 168,226</u>

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

4. Accounts receivable

	<u>2016</u>	<u>2015</u>
Harmonized sales tax receivable	\$ 5,556	\$ 5,477
	\$ 5,556	\$ 5,477

There is no allowance for doubtful accounts since all amounts are considered collectible.

5. Accounts payable and accrued liabilities

	<u>2016</u>	<u>2015</u>
Trade accounts payables and accruals	\$ 12,965	\$ 14,808
Accrued leave	12,088	8,931
Harmonized sales tax payable – <i>Ovations</i> (Note 10)	-	1,795
	\$ 25,053	\$ 25,534

6. Tangible capital assets

	<u>Furniture and equipment</u>	<u>Computer equipment and software</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost				
Balance, March 31, 2015	\$ 35,262	\$ 34,757	\$ 3,272	\$ 73,291
Additions/disposals	-	4,184	-	4,184
Balance, March 31, 2016	35,262	38,941	3,272	77,475
Accumulated amortization				
Balance, March 31, 2015	35,262	32,412	2,852	70,526
Amortization expense	-	2,694	140	2,834
Balance, March 31, 2016	35,262	35,106	2,992	73,360
Net book value, March 31, 2016	\$ -	\$ 3,835	\$ 280	\$ 4,115
Net book value, March 31, 2015	\$ -	\$ 2,345	\$ 420	\$ 2,765

**PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016**

7. Prepaid expenses

	<u>2016</u>	<u>2015</u>
Rent	\$ 3,807	\$ 3,807
Workplace, Health, Safety and Compensation Commission	1,200	2,006
Professional fees	187	280
Insurance	909	943
Other	795	573
	<u>\$ 6,898</u>	<u>\$ 7,609</u>

8. Contractual obligations

In January 2013, the Council entered into a five year agreement for the lease of office space. Annual lease payments over the next two years are as follows:

2017	\$	48,477
2018		<u>16,159</u>
	\$	<u>64,636</u>

9. Financial risk management

The Council recognizes the importance of managing significant risks and this includes policies, procedures and oversight designed to reduce the risks identified to an appropriate threshold. The risks that the Council are exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Council's exposure to these risks or its processes for managing these risks from the prior year.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Council's main credit risk relates to cash and accounts receivable. The Council's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Council is not exposed to significant credit risk with its cash because this financial instrument is held with a Chartered Bank. The Council is not exposed to significant credit risk related to its accounts receivable because it is due from the Federal Government. There is no allowance for doubtful accounts since all amounts are considered collectible.

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

9. Financial risk management (cont.)

Liquidity risk

Liquidity risk is the risk that the Council will be unable to meet its contractual obligations and financial liabilities. The Council manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its obligations and liabilities. The Council's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities and contractual obligations. The future minimum payments required from the Council in relation to its contractual obligations are outlined in Note 8.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Council is not exposed to significant foreign exchange, interest rate or other price risk.

10. *Ovations*

During the year ended March 31, 2016, the Council, as a member of an external organizing committee, completed its involvement with *Ovations: Applauding the Accomplishments of Women in Our Communities (Ovations)*. The organizing committee consisted of representatives from the Council, the Women's Policy Office, located in the Executive Council of the Government of Newfoundland and Labrador, businesses, the community and industry. The committee agreed to donate all remaining monies to a third party organization to be used to help get more women involved in political office in Newfoundland and Labrador. The *Ovations* committee was dissolved.

The following are details of revenues and expenses pertaining to the *Ovations* events which are included in the statement of operations of the Council:

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

10. Ovations (cont.)

	2016 Budget	2016 Actual	2015 Actual
	(Note 12)		
REVENUES			
<i>Ovations</i> - ticket revenues	\$ -	\$ -	\$ 615
Interest	-	3	244
	-	3	859
EXPENSES (Note 11)			
<i>Ovations</i>	-	25,121	16,597
	-	25,121	16,597
Annual deficit	-	(25,118)	(15,738)
Accumulated surplus, beginning of year	25,313	25,313	41,051
Accumulated surplus, end of year	\$ 25,313	\$ 195	\$ 25,313

11. Expenses by object

The following is a summary of expenses by object:

	2016 Budget	2016 Actual	2015 Actual
	(Note 12)		
Amortization of tangible capital assets	\$ 1,500	\$ 2,834	\$ 5,050
Donation	-	19,690	-
Grants and subsidies	200	55	8,578
Leasehold improvements	500	-	-
Other	300	2,566	130
Professional fees	15,800	9,320	11,177
Rent	48,525	45,690	45,690
Salaries and benefits	332,890	306,600	321,211
Supplies and services	21,725	29,969	27,266
Travel related expenses	24,860	21,346	22,750
	\$ 446,300	\$ 438,070	\$ 441,852

PROVINCIAL ADVISORY COUNCIL ON THE STATUS OF WOMEN
- NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
March 31, 2016

11. Expenses by object (cont.)

Included in the expenses by object are expenses pertaining to the *Ovations* events as noted below:

	2016 <u>Budget</u> (Note 12)	2016 <u>Actual</u>	2015 <u>Actual</u>
Donation	\$ -	\$ 19,690	\$ -
Miscellaneous	-	2,316	-
Subsidies	-	-	8,474
Supplies and services	-	3,115	5,267
<u>Travel related expenses</u>	-	-	2,856
	<u>\$ -</u>	<u>\$ 25,121</u>	<u>\$ 16,597</u>

12. Budgeted figures

Budgeted figures, which have been prepared on a cash basis, are provided for comparison purposes and have been derived from the estimates approved by the House of Assembly of the Province of Newfoundland and Labrador.

13. Employee future benefits

The Council and its employees contribute to the Public Service Pension Plan in accordance with the *Public Service Pensions Act, 1991* (the *Act*). The plan is administered by the Public Service Pension Plan Corporation, including payment of pension benefits to employees to whom the *Act* applies.

The plan provides a pension to employees based on the member's age at retirement, their length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2015 - 11.85%). The Council contributes an amount equal to the employee contributions to the plan. The pension expense for the Council for the year ended March 31, 2016, was \$19,193 (2015 - \$22,118).

14. Related party transactions

The Council receives operating grants from the Province of Newfoundland and Labrador. Operating grants received during the year totaled \$446,300 (2015 - \$430,100).

15. Non-financial assets

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Council. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Council's objectives.