

Registry of the Public Servants Protection Disclosure Tribunal
Future-oriented Financial Statements (unaudited)
for the Years Ending March 31, 2013 and March 31, 2014

Statement of Management Responsibility

Departmental management is responsible for these future-oriented financial statements, including responsibility for the appropriateness of the assumptions on which this statement is prepared. These statements are based on the best information available and assumptions adopted as at November 30, 2012 and reflect the plans described in the Report on Plans and Priorities.

These future-oriented financial statements for the Registry of the Public Servants Disclosure Protection Tribunal have not been audited.

Lisanne Lacroix
Deputy Head and Registrar
Chief Financial Officer

Ottawa, Canada
Date: December 28th 2012

Future-oriented Statement of Financial Position (*Unaudited*)
For the Year Ended March 31
(*in dollars*)

	Estimated Results 2013	Planned Results 2014
Liabilities		
Accounts payable and accrued liabilities (note 8)	134,885	87,431
Vacation pay and compensatory leave	20,237	20,569
Employee future benefits (note 9)	129,671	131,789
Total liabilities	284,793	239,789
Financial assets		
Due from Consolidated Revenue Fund	117,050	70,887
Accounts receivable and advances (note 6)	8,242	6,654
Total financial assets	125,292	77,541
Departmental net debt	159,501	162,248
Non-financial assets		
Tangible capital assets (note 7)	334,676	227,243
Total non-financial assets	334,676	227,243
Departmental net financial position	175,175	64,995

Information for the year ended March 31, 2013 includes actual amounts from April 1, 2012 to November 30, 2012.

The accompanying notes form an integral part of these future-oriented financial statements.

Future-oriented Statement of Operations and Departmental Net Financial Position (*Unaudited*)
For the Year Ended March 31
(in dollars)

	Estimated Results 2013	Planned Results 2014
Expenses		
Registry Services	2,047,195	2,122,903
Total Expenses	2,047,195	2,122,903
Net Cost of Operations before government funding	2,047,195	2,122,903
Government Funding		
Net cash provided by Government	1,953,614	1,814,309
Change in due from Consolidated Revenue Fund	(173,702)	(46,163)
Services provided without charges by other government departments (note 10)	246,866	244,577
Net cost of operations after government funding	20,417	110,180
Department net financial position - Beginning of Year	195,592	175,175
Department net financial position - End of year	175,175	64,995

Information for the year ended March 31, 2013 includes actual amounts from April 1, 2012 to November 30, 2012.

The accompanying notes form an integral part of these future-oriented financial statements.

Future-oriented Statement of Change in Departmental Net Debt *(Unaudited)*
For the Year Ended March 31
(in dollars)

	<u>Estimated Results 2013</u>	<u>Planned Results 2014</u>
Net cost of operations after government funding	20,417	110,180
Change due to tangible capital assets		
Acquisiiton of tangible capital assets	90,000	10,000
Amortization of tangible capital assets	(72,937)	(117,433)
Total change due to capital assets	17,063	(107,433)
Net increase (decrease) in departmental net debt	37,479	2,747
Departmental net debt - Beginning of year	122,022	159,501
Departmental net debt - End of year	159,501	162,248

Information for the year ended March 31, 2013 includes actual amounts from April 1, 2012 to November 30, 2012.

The accompanying notes form an integral part of these future-oriented financial statements.

Future-oriented Statement of Cash Flow (*Unaudited*)
For the Year Ended March 31
(in dollars)

	Estimated Results 2013	Planned Results 2014
Operating Activities		
Net Cost of Operations before gouvernement funding	2,047,195	2,122,903
Non-cash items:		
Amortization of tangible capital assets (note 7)	(72,937)	(117,433)
Services provided without charge by other government departments (note 10)	(246,866)	(244,577)
Variations in Future-oriented Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	(76,243)	(1,588)
Decrease (increase) in accounts payable and accrued liabilities	244,615	47,454
Decrease (increase) in vacation pay and compensatory leave	12,160	(332)
Decrease (increase) in future employee benefits	(44,309)	(2,118)
Cash used by operating activities	1,863,614	1,804,309
Capital investment activities		
Acquisitions of tangible capital assets (note 7)	90,000	10,000
Cash used by capital investment activities	90,000	10,000
Net cash provided by Government of Canada	1,953,614	1,814,309

Information for the year ended March 31, 2013 includes actual amounts from April 1, 2012 to November 30, 2012.

The accompanying notes form an integral part of these future-oriented financial statements.

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

1. Authority and Objectives

The Public Servants Disclosure Protection Tribunal is an independent, quasi-judicial body established by the *Public Servants Disclosure Protection Act* as part of the government's plan to strengthen accountability and enhance public confidence in the integrity of public servants. The raison d'être of the Tribunal is to protect public servants from reprisal following their disclosure of wrongdoing. Its mandate is to hear reprisal complaints referred by the Public Sector Integrity Commissioner. The Registry of the Public Servants Disclosure Protection Tribunal supports the Tribunal in fulfilling its mandate by supporting the effective management of the Tribunal's hearing processes, including by receiving documents, processing cases, maintaining Tribunal records, providing logistical support, providing legal and policy support, orientation and training to Tribunal members and informing clients of Tribunal procedures and directives.

2. Methodology and significant assumptions

The Future-Oriented Financial Statements have been prepared on the basis of the government priorities and the plans of the Registry as described in the Report on Plans and Priorities:

- (a) We expect that the Registry's activities will remain substantially the same as for 2012-2013.
- (b) The information on the estimated results for fiscal year 2012-2013 is based on actual results as at November 30, 2012 and forecasts for the remainder of the fiscal year.
- (c) Estimated year-end information for 2012-13 is used as the opening position for the 2013-14 planned results and forecasts have been made for the planned results for the 2013-14 fiscal year.

These assumptions are adopted as at November 30, 2012.

3. Variations and Changes to the Forecast Financial Information

While every attempt has been made to forecast final results for the remainder of 2012-13 and for 2013-14, actual results achieved for both years are likely to vary from the forecast information presented, and this variation could be material.

In preparing these future-oriented financial statements, the Registry has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Factors that could lead to material differences between the future-oriented financial statement and the historical financial statements include:

- (a) The timing and amounts of acquisitions and disposals of capital assets may affect gains/losses and amortization expense.
- (b) Implementation of new collective agreements.
- (c) Further changes to the operating budget through additional new initiatives or technical adjustments later in the year.
- (d) The actual number of cases received and the expenses that are directly related to them.

Once the Report on Plans and Priorities is presented, the Registry will not be updating the forecasts for any changes to appropriations or forecast financial information made in ensuing supplementary estimates. Variances will be explained in the Departmental Performance Report.

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

4. Summary of Significant Accounting Policies

The future-oriented financial statements have been prepared in accordance with the Treasury Board accounting policies in effect for the 2012-13 fiscal year. The accounting policies stated below, are based on Canadian generally accepted accounting principles for the public sector. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian generally accepted accounting principles.

Significant accounting policies are as follows:

a) Parliamentary authorities

The Registry is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the Registry do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Future-oriented Statement of Operations and Departmental Net Financial Position and the Future-oriented Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 5 provides a high-level reconciliation between the bases of reporting.

b) Net cash provided by Government

The Registry operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Registry is deposited to the CRF and all cash disbursements made by the Registry are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the Federal Government.

c) Amounts due from/to the CRF

Amounts due from/to the CRF are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that the Registry is entitled to draw from the CRF without further parliamentary expenditure authorities to discharge its liabilities.

d) Forecasted expenses

- Forecasted expenses are recorded on an accrual basis.
- Vacation pay and compensatory leave are accrued as the benefits are earned under their respective terms of employment.
- Services provided without charge by other government departments for accommodation and for the employer's contribution to the health and dental insurance plans are reported as operating expenses at their estimated cost.

e) Employee future benefits

- i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Registry's contributions to the Plan are charged to expenses in the year incurred and represent the total Registry obligation to the Plan. Current legislation does not require the Registry to make contributions for any actuarial deficiencies of the Plan.
- ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

f) Accounts receivables

Receivables recorded by the Registry are from other government departments and are stated at a lower of cost or net recoverable value. Recovery is considered certain and a provision has not been made.

g) Tangible capital assets

All tangible capital assets and leasehold improvements having an initial cost of \$3,000 or more are recorded at their acquisition cost. The Registry does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on Indian Reserves and museum collections.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset Class	Amortization Period
Informatics software	3 years
Informatics hardware	4 years
Furniture and Equipment	10 years
Leasehold Improvements	Period of the lease

5. Parliamentary Authorities

The Registry receives its funding through annual Parliamentary authorities. Items recognized in the Future-oriented Statements of Operations and Departmental Net Financial position and the Future-oriented Statement of Financial Position in one year may be funded through Parliamentary authorities in prior, current or future years. Accordingly, the Registry has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

a) Authorities requested

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Vote 85 - Program expenditures	1,644,000	1,646,091
Statutory amounts	190,080	188,284
Vote 25 - Operating Budget carry forward	82,200	82,305
Forecast authorities available	1,916,280	1,916,680

Authorities presented reflect current forecasts of statutory items, approved initiatives included and expected to be included in Estimates documents and, when reasonable estimates can be made, estimates of amounts to be allocated at year-end from Treasury Board central votes.

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

b) Reconciliation of net cost of operations to requested authorities:

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Net cost of operations before government funding	2,047,195	2,122,903
Adjustments for items affecting net cost of operations but not affecting authorities:		
Services provided without charge by other government departments	(246,866)	(244,577)
Amortization of tangible capital assets	(72,937)	(117,433)
Decrease (increase) in employee future benefits	(44,309)	(2,118)
Decrease (increase) in vacation pay and compensatory leave	12,160	(332)
	1,695,242	1,758,444
Adjustments for items not affecting net cost but affecting authorities:		
Acquisitions of tangible capital assets	90,000	10,000
Forecast current year lapse	131,038	148,236
Forecast authorities available	1,916,280	1,916,680

Accounts receivable and advances

The following table presents details of the Registry's accounts receivable and advances:

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Receivables from other Government departments and agencies	7,942	6,354
Standing advances	300	300
Total	8,242	6,654

Tangible capital assets

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Opening Balance	317,613	334,676
Acquisitions	90,000	10,000
Amortization	(72,937)	(117,433)
Closing Balance	334,676	227,243

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

Accounts payable and accrued liabilities

The following table presents details of the Registry's accounts payable and accrued liabilities:

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Accounts payable to other government departments and agencies	87,946	39,084
Accounts payable to external parties	37,045	38,157
	124,992	77,241
Accrued liabilities	9,893	10,190
Total	134,885	87,431

Employee future benefits

a) Pension benefits

The Registry's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Registry contribute to the cost of the Plan. The forecast expenses are \$127,861 in 2012-13 and \$132,175 in 2013-14, representing approximately 1.9 times the contribution of employees.

The Registry's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

b) Severance benefits

The Registry provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future authorities. Information about the severance benefits, estimated as at the date of these statements, is as follows:

As part of collective agreement negotiations with certain employee groups, and changes to conditions of employment for executives and certain non-represented employees, the accumulation of severance benefits under the employee severance pay program ceased for these employees commencing in 2012. Employees subject to these changes have been given the option to be immediately paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits on termination from the public service. These changes have been reflected in the calculation of the outstanding severance benefit obligation.

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Accrued benefit obligation, beginning of the year	85,262	129,671
Expense for the year	44,409	2,118
Accrued benefit obligation, end of the year	129,671	131,789

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

Related party transactions

The Registry is related as a result of common ownership to all Government of Canada departments, agencies and Crown Corporations. The Registry enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Registry received common services which were obtained without charge from other Government departments as disclosed below.

a) Common services provided without charge by other government departments:

During the year, the Registry receives services without charge from certain common service organizations. These services provided without charge have been recorded in the Registry's Future-oriented Statement of Operations as follows:

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Accommodation	154,763	154,763
Employer's contribution to the health and dental insurance plans	92,103	89,814
Total	<u>246,866</u>	<u>244,577</u>

The Government has centralized some of its administrative activities for efficiency, cost-effectiveness purposes and economic delivery of programs to the public. As a result, the Government uses central agencies and common service organizations so that one department performs services for all other departments and agencies without charge. The costs of these services, such as the payroll and cheque issuance services provided by Public Works and Government Services Canada and audit services provided by the Office of the Auditor General are not included in the Registry's Future-oriented Statement of Operations and Departmental Net Financial Position.

b) Other transactions with related parties:

	Estimated Results 2013	Planned Results 2014
	(in dollars)	
Expenses - Other Government departments and agencies	298,552	345,448

Notes to Future-Oriented Financial Statements (Unaudited) for the years ended March 31, 2013 and March 31, 2014

Segmented information

(in dollars)

The Registry has been granted an exemption to report separately on its internal services until March 2013. Consequently, the following table presents the forecasted expenses incurred by major object of expenses. The results for the period are as follows:

	Estimated Results 2013	Planned Results 2014
	<hr/> Total	<hr/> Total
Operating Expenses		
Salaries and employee benefits	1,345,562	1,336,638
Professional and special services	318,776	335,000
Accommodation	154,763	154,763
Utilities, materials and supplies	43,657	45,837
Transportation and telecommunications	15,000	20,000
Amortization of tangible capital assets	72,937	117,433
Repair and maintenance	0	10,313
Rentals	76,500	80,000
Information	20,000	22,919
Total Operating Expenses	<hr/> 2,047,195	<hr/> 2,122,903
Net Cost of Operations	<hr/> 2,047,195	<hr/> 2,122,903