

**REGISTRY OF THE PUBLIC SERVANTS DISCLOSURE
PROTECTION TRIBUNAL**
Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements of the Registry of the Public Servants Disclosure Protection Tribunal (Registry) for the year ended March 31, 2010 and all information contained in these statements rests with the Registry's management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Some of the information in the financial statements is based on managements' best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Registry's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Registry's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff and by organizational arrangements that provide appropriate divisions of responsibility.

The financial statements of the Registry have not been audited.

Lisanne Lacroix
Deputy Head and Registrar

Erinda Mondero
Financial Officer

Ottawa, Canada
Date: August 16, 2010

Registry of the Public Servants Disclosure Protection Tribunal
Statement of Operations (Unaudited)
For the Year Ended March 31
(in dollars)

	2010	2009
Operating Expenses		
Process Cases		
Salaries and employee benefits	\$ 803,536	\$ 692,447
Accommodation	192,467	191,934
Professional and special services	143,462	178,819
Transportation and telecommunications	22,411	13,346
Utilities, materials and supplies	14,819	27,291
Rentals	7,908	15,638
Information	4,208	2,742
Amortization of tangible capital assets	2,567	148
Repair and maintenance	469	0
Net Cost of Operations	1,191,847	1,122,365

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

Registry of the Public Servants Disclosure Protection Tribunal
Statement of Financial Position (Unaudited)
At March 31
(in dollars)

	2010	2009
Assets		
Financial assets		
Accounts receivable and advances (note 4)	\$ 112,456	\$ 159,325
Total financial assets	112,456	159,325
Non-financial assets		
Tangible capital assets (note 5)	16,398	8,720
TOTAL	\$ 128,854	\$ 168,045
Liabilities		
Accounts payable and accrued liabilities	\$ 81,379	\$ 283,668
Vacation pay and compensatory leave	28,387	33,345
Employee severance benefits (note 6)	133,081	120,506
Total liabilities	242,847	437,519
Equity of Canada	(113,993)	(269,474)
TOTAL	\$ 128,854	\$ 168,045

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

Registry of the Public Servants Disclosure Protection Tribunal
Statement of Equity of Canada (Unaudited)
At March 31
(in dollars)

	2010	2009
Equity of Canada, beginning of year	\$ (269,474)	\$ -
Transfer adjustment from CPSA	-	(12,380)
Net cost of operations	(1,191,847)	(1,122,365)
Current year appropriations used (note 3)	943,903	835,835
Change in net position in the Consolidated Revenue Fund (note 3)	119,158	(204,898)
Services received without charge from other government departments (note 7)	284,267	234,334
Equity of Canada, end of year	\$ (113,993)	\$ (269,474)

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

Registry of the Public Servants Disclosure Protection Tribunal
Statement of Cash Flow (Unaudited)
For the Year Ended March 31
(in dollars)

	2010	2009
Operating Activities		
Net cost of operations	\$ 1,191,847	\$ 1,122,365
Non-cash items:		
Amortization of tangible capital assets	(2,566)	(148)
Services received without charge from other government departments (note 7)	(284,267)	(234,334)
Variations in Statement of Financial Position:		
Increase (Decrease) in accounts receivable and advances	(46,869)	159,325
Increase (Decrease) in liabilities	194,672	(437,519)
Equity adjustment	-	12,380
Cash used by operating activities	\$ 1,052,817	\$ 622,069
Capital investment activities		
Acquisitions of tangible capital assets	10,244	8,868
Cash used by capital investment activities	\$ 10,244	\$ 8,868
Financing activities		
Net cash provided by Government	\$ (1,063,061)	\$ (630,937)

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

Registry of the Public Servants Disclosure Protection Tribunal

Notes to the Financial Statements (unaudited)

For the year ending March 31

1. Authority and Objectives

The new 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 Registry 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 aims to provide high quality internal services to ensure the infrastructure is in place to assist the Tribunal in meeting its mandate.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations

The Registry is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Registry do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 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) Change in net position in the Consolidated Revenue Fund

The change is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-responsible revenue recorded by the Registry. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Expenses

Expenses are recorded on the accrual basis:

- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated removed legal s 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.

(unaudited)

(f) 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.

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

<u>Asset Class</u>	<u>Amortization Period</u>
Informatics hardware	3 - 4 years
Leasehold Improvements	5 years

(g) Measurement uncertainty

The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary appropriations

The Registry receives its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations 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) Reconciliation of net cost of operations to current year appropriations used:

	<u>2010</u>	<u>2009</u>
	(in dollars)	
Net cost of operations	1,191,847	1,122,365
Adjustments for items affecting net cost of operations but not affecting appropriations		
Add (Less):		
Services provided without charge	(284,267)	(234,334)
Amortization of tangible capital assets	(2,566)	(148)
Employee severance benefits	(12,575)	(40,422)
Vacation pay and compensatory leave	4,957	(20,338)
Refunds of Previous Years Expenditures	73	-
Adjustment of previous year's accounts payable	36,150	(156)
Miscellaneous Revenue	40	-
	<u>933,659</u>	<u>826,967</u>
Adjustments for items not affecting net cost but affecting appropriations		
Add: acquisitions of tangible capital assets	<u>10,244</u>	<u>8,868</u>
Current year appropriations used	<u>943,903</u>	<u>835,835</u>

(unaudited)

(b) Appropriations provided and used

	Appropriations Provided	
	2010	2009
	(in dollars)	
Vote 45 - Operating expenditures	1,726,200	1,726,180
Statutory amounts	109,113	58,892
Less:		
Lapsed appropriations: Operating	(891,410)	(949,237)
Current year appropriations used	943,903	835,835

(c) Reconciliation of net cash provided by Government to current year appropriations used

	2010	2009
	(in dollars)	
Net cash provided by Government	1,063,061	630,937
Change in net position in the Consolidated Revenue Fund		
Variation in accounts receivable and advances	46,868	(159,324)
Variation in accounts payable and accrued liabilities	(202,289)	283,668
Other adjustments	36,263	80,554
	(119,158)	204,898
Current year appropriations used	943,903	835,835

4. Accounts Receivable and Advances

The following table presents details of accounts receivable and advances:

	2010	2009
	(in dollars)	
Receivables from other Federal Government departments and agencies	112,156	159,024
Receivables from external parties	0	0
Standing advances	300	300
Total	112,456	159,324

5. Tangible Capital Assets

(in dollars)

Capital asset class

Capital asset class	Cost			
	Opening balance	Acquisitions	Disposals and write-offs	Closing balance
Informatics hardware	-	4,755	-	4,755
Leasehold improvements	8,868	5,489	-	14,357
Total	8,868	10,244	-	19,112

Capital asset class

Capital asset class	Accumulated amortization			
	Opening balance	Amortization	Disposals and write-offs	Closing balance
Informatics hardware	-	792	-	792
Leasehold improvements	148	1,774	-	1,922
Total	148	2,566	-	2,714

Capital asset class

Capital asset class	2010	2009
	Net book value	
Informatics hardware	3,963	-
Leasehold improvements	12,435	8,720
Total	16,398	8,720

Amortization expense for the year ended March 31, 2010 was \$2,566 (2009 -\$148).

(unaudited)

6. Employee benefits

a) Pension benefits

The Registry's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. 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 2009-10 expense amounts to \$78,779.71 (\$42,520 in 2008-09) which represents approximately 1.9 times (2.01 in 2008-09) the contributions by 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) Employee 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 appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	<u>2010</u>	<u>2009</u>
	(in dollars)	
Accrued benefit obligation, beginning of the year	120,506	-
Opening balance transferred by CPSA	-	80,084
Expense for the year	12,575	40,422
Benefits paid during the year	-	-
Accrued benefit obligation, end of the year	<u>133,081</u>	<u>120,506</u>

7. 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 services which were obtained without charge from other Government departments as presented in part (a).

a) Services provided without charge:

During the year, the Registry received services that were obtained without charge from other government departments and agencies. These services without charge have been recognized in the Registry's Statement of Operations as

	<u>2010</u>	<u>2009</u>
	(in dollars)	
Accommodation	192,467	191,934
Employer's contribution to the health and dental insurance plans	91,800	42,400
Total	<u>284,267</u>	<u>234,334</u>

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The cost of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the Registry's Statement of Operations.

b) Payables outstanding at year-end with related parties:

	<u>2010</u>	<u>2009</u>
	(in dollars)	
Accounts payable to other government departments and agencies	<u>28,115</u>	<u>225,628</u>