

# Administrative Tribunals Support Service of Canada

## Statement of Management Responsibility Including Internal Control Over Financial Reporting

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Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2016 and all information contained in these statements rests with the management of the Administrative Tribunals Support Service of Canada (ATSSC). These financial statements have been prepared by management using the Government's accounting policies, which are based on Canadian public sector accounting standards.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's 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 ATSSC's financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in the ATSSC's *Departmental Performance Report*, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting (ICFR) designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards, and managerial authorities are understood throughout the ATSSC and through conducting an annual risk-based assessment of the effectiveness of the system of ICFR.

The system of ICFR is designed to mitigate risks to a reasonable level based on an ongoing process to identify key risks, to assess effectiveness of associated key controls, and to make any necessary adjustments.

The ATSSC will be subject to periodic Core Control Audits performed by the Office of the Comptroller General and will use the results of such audits to adhere to the Treasury Board *Policy on Internal Control*.

In the interim, the ATSSC has continued the development of a systemic and multi-year assessment plan to annually undertake a risk-based assessment of the system of ICFR during the year ended March 31, 2016, in accordance with the Treasury Board *Policy on Internal Control*, and the results and action plan to date are summarized in the annex.

The ATSSC's financial statements have not been audited.

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Marie-France Pelletier  
Chief Administrator

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Luc Robitaille  
Chief Financial Officer

Ottawa, Canada  
September 2, 2016

# Administrative Tribunals Support Service of Canada

## Statement of Financial Position (Unaudited)

As at March 31

<i>(in dollars)</i>	2016	2015
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 4)	7,895,447	8,611,210
Vacation pay and compensatory leave	3,053,480	2,194,689
Employee future benefits (note 5)	4,153,319	1,852,447
<b>Total liabilities</b>	<b>15,102,246</b>	<b>12,658,346</b>
<b>Financial assets</b>		
Due from Consolidated Revenue Fund	3,807,095	3,547,182
Accounts receivable and advances (note 6)	9,098,997	12,338,917
<b>Total financial assets</b>	<b>12,906,092</b>	<b>15,886,099</b>
<b>Departmental net debt (net financial assets)</b>	<b>2,196,154</b>	<b>(3,227,753)</b>
<b>Non-financial assets</b>		
Prepaid expenses	223,861	30,903
Tangible capital assets (note 7)	4,341,495	4,948,694
<b>Total non-financial assets</b>	<b>4,565,356</b>	<b>4,979,597</b>
<b>Departmental net financial position</b>	<b>2,369,202</b>	<b>8,207,350</b>

Contractual obligations (note 8)

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

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Marie-France Pelletier

Chief Administrator

Luc Robitaille

Chief Financial Officer

Ottawa, Canada

September 2, 2016

# Administrative Tribunals Support Service of Canada

## Statement of Operations and Departmental Net Financial Position (*Unaudited*)

<i>(in dollars)</i>	For the Year Ended March 31, 2016	For the 5 -month period ended March 31, 2015
<b>Expenses</b>		
Tribunal specialized and expert support services	31,996,089	16,331,182
Registry services	17,240,522	7,046,004
Payments to tribunal chairs and members	27,207,804	10,600,395
Internal services	21,845,042	8,313,349
<b>Total expenses</b>	<b>98,289,456</b>	<b>42,290,930</b>
<b>Revenues</b>		
Revenues Netted Against Expenditures	24,991,184	11,327,707
Miscellaneous revenues	253	379
Revenues earned on behalf of Government	(253)	(379)
<b>Total revenues</b>	<b>24,991,184</b>	<b>11,327,707</b>
<b>Net cost of operations before government funding and transfers</b>	<b>73,298,272</b>	<b>30,963,223</b>
<b>Government funding and transfers</b>		
Net cash provided by Government	51,234,868	28,928,957
Change in due from Consolidated Revenue Fund	259,913	3,547,182
Services provided without charge by other government departments (note 9)	15,969,650	5,953,148
Transfer of assets and liabilities from other government departments (note 10)	-	743,409
Transfer of the transition payments for implementing salary payments in arrears (note 11)	(4,307)	(2,123)
<b>Net cost (revenue) of operations after government funding and transfers</b>	<b>5,838,148</b>	<b>(8,207,350)</b>
<b>Departmental net financial position - Beginning of year</b>	<b>8,207,350</b>	<b>-</b>
<b>Departmental net financial position - End of year</b>	<b>2,369,202</b>	<b>8,207,350</b>

Segmented information (note 12)

*The accompanying notes form an integral part of the financial statements.*

# Administrative Tribunals Support Service of Canada

## Statement of Change in Departmental Net Debt (Unaudited)

<i>(in dollars)</i>	For the Year Ended March 31, 2016	For the 5 -month period ended March 31, 2015
Net cost (revenue) of operations after government funding and transfers	5,838,148	(8,207,350)
<b>Change due to tangible capital assets</b>		
Acquisition of tangible capital assets (note 7)	751,987	544,854
Amortization of tangible capital assets (note 7)	(1,359,186)	(802,508)
Transfer from other government departments (note 10)	-	5,222,794
Net loss on disposal of tangible capital assets including adjustments	-	(16,447)
<b>Total change due to tangible capital assets</b>	<b>(607,199)</b>	<b>4,948,693</b>
<b>Change due to prepaid expenses</b>	<b>192,959</b>	<b>30,903</b>
<b>Net increase (decrease) in net debt</b>	<b>5,423,908</b>	<b>(3,227,754)</b>
<b>Departmental net debt (net financial assets) - Beginning of year</b>	<b>(3,227,754)</b>	-
<b>Departmental net debt (net financial assets) - End of year</b>	<b>2,196,154</b>	<b>(3,227,754)</b>

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

# Administrative Tribunals Support Service of Canada

## Statement of Cash Flows (Unaudited)

<i>(in dollars)</i>	For the Year Ended March 31, 2016	For the 5 -month period ended March 31, 2015
<b>Operating activities</b>		
Net cost of operations before government funding and transfers	73,298,272	30,963,223
Non-cash items:		
Amortization of tangible capital assets (note 7)	(1,359,186)	(802,508)
Loss on disposal of tangible capital assets	-	(16,447)
Services provided without charge by other government departments (note 9)	(15,969,650)	(5,953,148)
Transition payments for implementing salary payments in arrears (note 11)	4,307	2,123
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	(3,239,920)	12,338,917
Increase in prepaid expenses	192,959	30,903
Decrease (increase) in accounts payable and accrued liabilities	715,762	(8,611,210)
Increase in vacation pay and compensatory leave	(858,791)	(2,194,689)
Increase in employee future benefits	(2,300,872)	(1,852,447)
Transfer of liabilities and non-capital assets from other government departments (note 10)	-	4,479,386
<b>Cash used in operating activities</b>	<b>50,482,881</b>	<b>28,384,103</b>
<b>Capital investing activities</b>		
Acquisition of tangible capital assets (note 7)	751,987	544,854
<b>Cash used in capital investing activities</b>	<b>751,987</b>	<b>544,854</b>
<b>Net cash provided by Government of Canada</b>	<b>51,234,868</b>	<b>28,928,957</b>

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

# Administrative Tribunals Support Service of Canada

## Notes to the Financial Statements (*Unaudited*)

### For the Year ended March 31, 2016

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#### 1. Authority and objectives

The Administrative Tribunals Support Service of Canada (ATSSC) was established with the coming into force on November 1, 2014, of the *Administrative Tribunals Support Service of Canada Act*. The ATSSC is responsible for providing support services and facilities to several federal administrative tribunals by way of a single, integrated organization.

The ATSSC provides the full range of support services and facilities required by the tribunals to meet their statutory obligations. These services include the common functions of corporate services (e.g., human resources, financial services, information technology, accommodations and communications); registry services and core mandate support services (e.g., research and analysis, legal and other case-specific work).

The ATSSC has one strategic outcome: Efficient and effective services which support tribunal chairs and members in exercising their statutory responsibilities and ensure that their independence is protected in a manner which promotes Canadians' confidence in the federal tribunal system. According to the approved Program Alignment Architecture (PAA), the Statement of Operations and Departmental Net Financial Position was detailed by the following programs (business lines):

##### *Tribunal specialized and expert support services*

The Tribunal Specialized and Expert Support Services Program provides expert research, analysis, drafting support and advice as well as other support services including investigation and mediation to assist Tribunals in the discharge of their statutory responsibilities. These services are provided by ATSSC employees such as legal counsel, sectoral experts, tribunal assistants and research personnel.

##### *Registry services*

The Registry Services Program provides registry services in support of tribunals. The Program works closely with Tribunal Chairs and Members to ensure that matters before the Tribunals are heard and disposed of in a timely, fair, impartial and efficient manner and within statutory obligations. Services provided include: processing tribunal documents; maintaining and safeguarding tribunal records; providing information to the public regarding tribunal procedures; assisting in the scheduling and conduct of tribunal hearings and assisting in communicating tribunal decisions to the parties and the public. The Registry Services Program also is responsible for developing and monitoring service standards, assessing the performance of registry functions and implementing required improvements.

##### *Payments to tribunal chairs and members*

The program administers appropriations with respect to tribunal chairs' and members' salaries and other compensation pursuant to the terms of tribunals' enacting legislation and Governor-in-Council appointments.

##### *Internal services*

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal Services include only those activities and resources that apply across the organization and not those provided specifically to a program. These groups are: Management and Oversight Services; Communications Services; Corporate Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

# Administrative Tribunals Support Service of Canada

## Notes to the Financial Statements (*Unaudited*)

### For the Year ended March 31, 2016

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## 2. Summary of significant accounting policies

These financial statements have been prepared using the Government's accounting policies stated below, which are based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

#### *(a) Parliamentary authorities*

The ATSSC is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the ATSSC 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 Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting.

#### *(b) Net cash provided by Government*

The ATSSC operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the ATSSC is deposited to the CRF, and all cash disbursements made by the ATSSC 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 Government.

#### *(c) Due from or to the CRF*

Amounts due from or 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 to the CRF include amounts recognized as revenues that have been credited to authorities used, but were not collected and deposited to the CRF at year-end. These amounts include receivables at year-end from other government departments. Amounts due from the CRF represent the net amount of cash that the ATSSC is entitled to draw from the CRF without further authorities to discharge its liabilities.

#### *(d) Revenues*

All revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place.

Revenues that are non-respendable are not available to discharge the ATSSC's liabilities. While the department head is expected to maintain accounting control, he or she has no authority regarding the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented in reduction of the entity's gross revenues.

#### *(e) Expenses*

Expenses are recorded on the accrual basis:

- (i) Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment; and
- (ii) Services provided without charge by other government departments for accommodation and employer contributions to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

#### *(f) Employee future benefits*

- (i) Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer pension plan administered by the Government. The ATSSC's contributions to the Plan are charged to expenses in the year incurred and represent the total ATSSC obligation to the Plan. The ATSSC'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.
- (ii) Severance benefits: Employees entitled to severance benefits under labour contracts or conditions of employment earn these benefits as services necessary to earn them are rendered. 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.

# Administrative Tribunals Support Service of Canada

## Notes to the Financial Statements (*Unaudited*)

### For the Year ended March 31, 2016

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#### 2. Summary of significant accounting policies (continued)

*(g) Accounts receivable*

Accounts receivable are stated at the lower of cost and net recoverable value. A valuation allowance is recorded for accounts receivable where recovery is considered uncertain.

*(h) Tangible capital assets*

All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. The ATSSC does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, or 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:

<b>Asset Class</b>	<b>Amortization Period</b>
Informatics hardware	3 years
Informatics software	3 years
Machinery and equipment	5 years
Other equipment, including furniture	10 years
Leasehold improvements	Lesser of the remaining term of lease or useful life of the improvement

Assets under construction are recorded in the applicable capital asset class in the year that they become available for use and are not amortized until they become available for use.

*(i) Measurement uncertainty*

The preparation of these financial statements 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 future 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.



**Administrative Tribunals Support Service of Canada**  
**Notes to the Financial Statements (Unaudited)**  
**For the Year ended March 31, 2016**

**3. Parliamentary authorities**

The ATSSC receives its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Departmental Net Financial Position and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the ATSSC 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 authorities used*

<i>(in dollars)</i>	2016	2015
<b>Net cost of operations before government funding and transfers</b>	<b>73,298,272</b>	<b>30,963,223</b>
<i>Adjustments for items affecting net cost of operations but not affecting authorities:</i>		
Services provided without charge by other government departments	(15,969,650)	(5,953,148)
Amortization of tangible capital assets	(1,359,186)	(802,508)
Decrease (increase) in vacation pay and compensatory leave	(858,791)	74,490
Increase in employee future benefits	(2,300,872)	(165,742)
Refunds / Adjustments to previous years' expenses	64,879	298,310
Loss on disposal of tangible capital assets	-	(16,447)
Revenue not available for spending	3,028,087	1,849,896
Other	-	(72,170)
<b>Total items affecting net cost of operations but not affecting authorities</b>	<b>(17,395,533)</b>	<b>(4,787,319)</b>
<i>Adjustments for items not affecting net cost of operations but affecting authorities:</i>		
Acquisition of tangible capital assets	751,987	544,854
Increase in prepaid expenses	192,959	-
Transition payments for implementing salary payments in arrears	4,307	16,717
<b>Total items not affecting net cost of operations but affecting authorities</b>	<b>949,253</b>	<b>561,571</b>
<b>Current year authorities used</b>	<b>56,851,992</b>	<b>26,737,475</b>

*(b) Authorities provided and used*

<i>(in dollars)</i>	2016	2015
<b>Authorities provided:</b>		
Vote 1 - Program expenditures	54,777,079	28,606,713
Statutory – Contributions to employee benefit plans	8,642,950	3,735,378
Statutory – Spending of proceeds from the disposal of surplus Crown assets	123	-
<b>Total authorities provided</b>	<b>63,420,152</b>	<b>32,342,091</b>
<b>Less:</b>		
Lapsed: Operating	(6,568,037)	(5,604,616)
Authorities available for future years	(123)	-
<b>Current year authorities used</b>	<b>56,851,992</b>	<b>26,737,475</b>

**Administrative Tribunals Support Service of Canada**  
**Notes to the Financial Statements (Unaudited)**  
**For the Year ended March 31, 2016**

**4. Accounts payable and accrued liabilities**

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

<i>(in dollars)</i>	2016	2015
Accounts payable - Other government departments and agencies	826,922	2,618,738
Accounts payable - External parties	2,104,910	54,977
Total accounts payable	2,931,832	2,673,715
Accrued liabilities	4,963,615	5,937,495
<b>Total accounts payable and accrued liabilities</b>	<b>7,895,447</b>	<b>8,611,210</b>

**5. Employee future benefits**

*(a) Pension benefits*

The ATSSC's employees participate in the Public Service Pension Plan (the 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 ATSSC contribute to the cost of the Plan. Due to the amendment of the Public Service Superannuation Act following the implementation of provisions related to the Economic Action Plan 2012, employee contributors have been divided into two groups – Group 1 relates to existing plan members as of December 31, 2012 and Group 2 relates to members joining the Plan as of January 1, 2013. Each group has a distinct contribution rate.

For the year ended March 31, 2016, expense amounts to \$5,957,585 (\$2,553,504 in 2014-2015). For Group 1 members, the expense represents approximately 1.25 times (1.41 times for 2014-2015) the employee contributions and, for Group 2 members, approximately 1.24 times (1.39 times for 2014-2015) the employee contributions.

The ATSSC'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 ATSSC provides severance benefits to its employees based on eligibility, years of service and salary at termination of employment. These severance benefits are not pre-funded. Benefits will be paid from future authorities.

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. Information about the severance benefits, measured as at March 31, is as follows:

<i>(in dollars)</i>	2016	2015
<b>Accrued benefit obligation, beginning of year</b>	<b>1,852,447</b>	<b>-</b>
Transfer from other government departments (note 10)		1,884,813
Expense for the year	2,660,593	346,510
Benefits paid during the year	(359,721)	(378,876)
<b>Accrued benefit obligation, end of year</b>	<b>4,153,319</b>	<b>1,852,447</b>

**Administrative Tribunals Support Service of Canada**  
**Notes to the Financial Statements (Unaudited)**  
**For the Year ended March 31, 2016**

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**6. Accounts receivable and advances**

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

<i>(in dollars)</i>	2016	2015
Accounts receivable - Other government departments and agencies	4,687,063	5,351,558
Accounts receivable - External parties	4,411,934	6,987,359
	9,098,997	12,338,917
<b>Total accounts receivable and advances</b>	<b>9,098,997</b>	<b>12,338,917</b>

**Administrative Tribunals Support Service of Canada**  
**Notes to the Financial Statements (Unaudited)**  
**For the Year ended March 31, 2016**

**7. Tangible capital assets**

Cost	Opening Balance April 1, 2015	Acquisitions	Adjustments	Disposals and Write-Offs	Closing Balance March 31, 2016
<i>(in dollars)</i>					
Informatics hardware	2,768,493	145,983	-	-	2,914,476
Informatics software	5,500,108	-	-	-	5,500,108
Leasehold improvements	2,736,611	-	-	-	2,736,611
Machinery and equipment	87,940	-	-	-	87,940
Other equipment, including furniture	2,425,949	-	-	-	2,425,949
Assets under construction	344,134	606,004	-	-	950,138
	13,863,235	751,987	-	-	14,615,222

Accumulated Amortization	Opening Balance April 1, 2015	Amortization	Adjustments	Disposals and Write-Offs	Closing Balance March 31, 2016
<i>(in dollars)</i>					
Informatics hardware	1,865,098	310,332	-	-	2,175,430
Informatics software	3,627,597	647,869	-	-	4,275,466
Leasehold improvements	1,678,151	226,341	-	-	1,904,492
Machinery and equipment	64,222	3,429	-	-	67,651
Other equipment, including furniture	1,679,473	171,215	-	-	1,850,688
	8,914,541	1,359,186	-	-	10,273,727

Net Book Value	Opening Balance April 1, 2015				Closing Balance March 31, 2016
<i>(in dollars)</i>					
Informatics hardware	903,395				739,046
Informatics software	1,872,511				1,224,642
Leasehold improvements	1,058,460				832,119
Machinery and equipment	23,718				20,289
Other equipment, including furniture	746,476				575,261
Assets under construction	344,134				950,138
	4,948,694				4,341,495

**Administrative Tribunals Support Service of Canada**  
**Notes to the Financial Statements (Unaudited)**  
**For the Year ended March 31, 2016**

**8. Contractual obligations**

The nature of the ATSSC's activities can result in some large multi-year contracts and obligations whereby the ATSSC will be obligated to make future payments in order to rent equipment. Significant contractual obligations that can be reasonably estimated are summarized as follows:

<i>(in dollars)</i>	2016/17	2017/18	2018/19	2019/20
Equipment rental and service contract	24,677	24,677	24,677	17,822
<b>Total</b>	<b>24,677</b>	<b>24,677</b>	<b>24,677</b>	<b>17,822</b>

**9. Related party transactions**

The ATSSC is related as a result of common ownership to all government departments, agencies, and Crown corporations. The ATSSC enters into transactions with these entities in the normal course of business and on normal trade terms. During the year, the ATSSC 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 ATSSC received services without charge from certain common service organizations, related to accommodation and the employer's contribution to the health and dental insurance plans. These services provided without charge have been recorded in the ATSSC's Statement of Operations and Departmental Net Financial Position as follows:

<i>(in dollars)</i>	2016	2015
Accommodation	11,060,680	4,022,043
Employer's contribution to the health and dental insurance plans	4,908,970	1,931,105
<b>Total</b>	<b>15,969,650</b>	<b>5,953,148</b>

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 Services and Procurement Canada and audit services provided by the Office of the Auditor General are not included in the ATSSC's Statement of Operations and Departmental Net Financial Position.

*(b) Other transactions with related parties*

<i>(in dollars)</i>	2016	2015
Expenses - Other government departments and agencies	13,177,276	6,073,209
Revenues - Other government departments and agencies	8,019,101	4,349,567

Expenses and revenues disclosed in (b) exclude common services provided without charge, which are already disclosed in (a).

# Administrative Tribunals Support Service of Canada

## Notes to the Financial Statements (*Unaudited*)

### For the Year Ended March 31, 2016

#### 10. Transfer from other government departments and agencies

Effective November 1, 2014, the ATSSC was transferred the responsibility for providing support services to several federal administrative tribunals in accordance with the *Economic Action Plan Act, No. 1* which received Royal Assent on June 19, 2014, including the stewardship responsibility for the assets and liabilities related to these services. Accordingly, the ATSSC received assets and liabilities from the following administrative tribunals on November 1, 2014:

<i>(in dollars)</i>	CART	CIRB	CCPERB	CHRT	CITT	CT	PSDPT	PSLRB	PSST	SST	SCT	TATC	Total
<b>Assets</b>													
Accounts receivable and advances	-	279,253	-	26,310	152,218	12,004	121,213	165,803	95,025	4,350,637	32,108	36,108	5,270,679
Prepaid expenses	-	-	-	-	-	-	60,375	34,842	7,856	-	-	-	103,073
Tangible capital assets	-	848,935	-	3,776	862,862	65,210	188,959	1,760,862	649,944	3,652	828,258	10,337	5,222,795
<b>Total assets received</b>	<b>-</b>	<b>1,128,188</b>	<b>-</b>	<b>30,086</b>	<b>1,015,080</b>	<b>77,214</b>	<b>370,547</b>	<b>1,961,507</b>	<b>752,825</b>	<b>4,354,289</b>	<b>860,366</b>	<b>46,445</b>	<b>10,596,547</b>
<b>Liabilities</b>													
Accounts payable and accrued liability	-	859,098	-	527,672	683,310	80,582	161,502	1,325,499	591,368	1,077,581	158,610	5,109	5,470,331
Vacation pay and compensatory leave	-	417,072	30,176	128,756	486,453	40,677	17,982	508,250	131,552	656,409	45,407	35,260	2,497,994
Employee future benefits	-	571,763	32,855	110,385	336,082	33,528	50,225	-	142,840	546,888	53,394	6,854	1,884,813
<b>Total liabilities received</b>	<b>-</b>	<b>1,847,933</b>	<b>63,030</b>	<b>766,813</b>	<b>1,505,845</b>	<b>154,787</b>	<b>229,709</b>	<b>1,833,749</b>	<b>865,760</b>	<b>2,280,878</b>	<b>257,411</b>	<b>47,223</b>	<b>9,853,138</b>
<b>Adjustment to the departmental net financial position</b>	<b>-</b>	<b>(719,745)</b>	<b>(63,030)</b>	<b>(736,727)</b>	<b>(490,765)</b>	<b>(77,573)</b>	<b>140,838</b>	<b>127,758</b>	<b>(112,935)</b>	<b>2,073,411</b>	<b>602,955</b>	<b>(778)</b>	<b>743,409</b>

Canada Agricultural Review Tribunal (CART)

Canada Industrial Relations Board (CIRB)

Canadian Cultural Property Export Review Board (CCPERB)

Canadian Human Rights Tribunal (CHRT)

Canadian International Trade Tribunal (CITT)

Competition Tribunal (CT)

Public Servants Disclosure Protection Tribunal (PSDPT)

Public Service Labour Relations Board (PSLRB)

Public Service Staffing Tribunal (PSST)

Social Security Tribunal (SST)

Specific Claims Tribunal (SCT)

Transportation Appeal Tribunal of Canada (TATC)

# Administrative Tribunals Support Service of Canada

## Notes to the Financial Statements (Unaudited)

For the Year Ended March 31, 2016

### 11. Transfer of the transition payments for implementing salary payments in arrears

The Government of Canada implemented salary payments in arrears in 2014-15. As a result, a one-time payment was issued to employees and will be recovered from them in the future. The transition to salary payments in arrears forms part of the transformation initiative that replaces the pay system and also streamlines and modernizes the pay processes. This change to the pay system had no impact on the expenses of the ATSSC. However, it did result in the use of additional spending authorities by the ATSSC. Prior to year-end, the transition payments for implementing salary payments in arrears were transferred to a central account administered by Public Services and Procurement Canada, who is responsible for the administration of the Government pay system.

### 12. Segmented information

Presentation by segment is based on the ATSSC's program alignment architecture. The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in note 2. The following table presents the expenses incurred and revenues generated for the main programs, by major object of expense and by major type of revenue. The segment results for the period are as follows:

	For the Year Ended March 31, 2016				
	Tribunal specialized and expert support services	Registry services	Payments to tribunal chairs and members	Internal services	Total
<i>(in dollars)</i>					
<b>Expenses</b>					
Salaries and employee benefits	23,790,523	13,097,252	21,797,441	13,592,522	72,277,738
Accommodation	3,576,373	1,970,436	3,461,620	2,052,251	11,060,680
Professional and special services	3,192,997	955,783	409,148	2,464,450	7,022,378
Transportation and telecommunications	570,061	497,102	1,458,511	376,821	2,902,495
Acquisition of small equipment	81,457	29,414	681	672,544	784,095
Rentals	113,641	253,481	13,676	794,414	1,175,212
Amortization of tangible capital assets	-	-	-	1,359,187	1,359,187
Materials and supplies	409,525	70,516	46,801	59,579	586,421
Utilities	-	48	-	42,762	42,810
Repairs and maintenance	13,897	683	846	218,670	234,096
Information	246,894	135,268	19,079	203,488	604,729
Other	721	230,539	1	8,354	239,615
<b>Total expenses</b>	<b>31,996,089</b>	<b>17,240,522</b>	<b>27,207,804</b>	<b>21,845,042</b>	<b>98,289,456</b>
<b>Revenues</b>					
Revenues Netted Against Expenditures	6,228,613	7,191,411	11,571,160	-	24,991,184
Miscellaneous revenues	30	-	-	223	253
Revenues earned on behalf of Government	(30)	-	-	(223)	(253)
<b>Total revenues</b>	<b>6,228,613</b>	<b>7,191,411</b>	<b>11,571,160</b>	<b>-</b>	<b>24,991,184</b>
<b>Net cost of operations before government funding and transfers</b>	<b>25,767,476</b>	<b>10,049,111</b>	<b>15,636,644</b>	<b>21,845,042</b>	<b>73,298,272</b>

### 13. Comparative Information

As the first future-oriented financial statements for ATSSC were prepared for 2016/17, no comparative information for planned results for 2015/16 is available for presentation in the Statement of Operations and Net Financial Position and the Statement of Change in Net Debt for the year ended March 31, 2016.