

**Saskatchewan Party Caucus**  
**Financial Statements**  
*March 31, 2023*

## Management's Responsibility

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To the Members of Saskatchewan Party Caucus:


Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Management Committee is composed entirely of MLA's who are neither management nor employees of the Caucus. The Management Committee is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information. The Management Committee fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Management Committee is also responsible for recommending the appointment of the Caucus' external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Management Committee and management to discuss their audit findings.

August 2, 2023



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Chief of Staff

## Independent Auditor's Report

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To the Members of Saskatchewan Party Caucus:

### Opinion

We have audited the financial statements of Saskatchewan Party Caucus (the "Caucus"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and changes in Caucus Surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Caucus as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Caucus in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Caucus's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Caucus or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Caucus's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Caucus's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Caucus to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan

August 2, 2023

*MNP* LLP  
Chartered Professional Accountants

**Saskatchewan Party Caucus  
Statement of Financial Position**

*As at March 31, 2023*

	2023	2022
<b>Assets</b>		
<b>Cash</b>		
Cash	861,474	1,267,569
Accounts receivable	58,362	42,614
	<b>919,836</b>	<b>1,310,183</b>
<b>Capital assets (Note 3)</b>	<b>14,265</b>	<b>20,115</b>
	<b>934,101</b>	<b>1,330,298</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals (Note 4)	36,978	117,104
Deferred contributions related to IT enhancements (Note 5)	12,000	24,000
	<b>48,978</b>	<b>141,104</b>
<b>Surplus</b>		
Caucus Surplus (Note 6)	885,123	1,189,194
	<b>934,101</b>	<b>1,330,298</b>

Approved on behalf of the Saskatchewan Party Caucus



Member



Member

The accompanying notes are an integral part of these financial statements



**Saskatchewan Party Caucus**  
**Statement of Operations and Changes in Caucus Surplus**  
*For the year ended March 31, 2023*

	2023	2022
<b>Revenue</b>		
Grant revenue	1,347,195	1,307,820
Amortization of deferred contributions	12,000	12,000
	<b>1,359,195</b>	<b>1,319,820</b>
<b>Expenses</b>		
Advertising	730,254	116,057
Salaries and benefits	631,706	618,913
Postage	133,813	78,869
Contract work	55,506	46,103
Meetings	29,432	15,365
Travel and entertainment	18,895	9,124
Membership fees	18,459	21,643
Office supplies	13,770	20,849
Professional fees	11,989	10,945
Telephone	11,176	8,248
Amortization	5,849	7,734
Computer maintenance	1,865	2,487
Insurance	424	424
Bank charges and interest	128	136
	<b>1,663,266</b>	<b>956,897</b>
<b>(Deficiency) excess of revenue over expenses</b>	<b>(304,071)</b>	<b>362,923</b>
<b>Caucus surplus, beginning of year</b>	<b>1,189,194</b>	<b>826,271</b>
<b>Caucus surplus, end of year</b>	<b>885,123</b>	<b>1,189,194</b>

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

**Saskatchewan Party Caucus**  
**Statement of Cash Flows**  
*For the year ended March 31, 2023*

	2023	2022
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Cash receipts from grants	1,331,448	1,265,205
Cash paid for program service expenses	(1,105,837)	(267,528)
Cash paid for salaries and benefits	(631,706)	(618,913)
	<b>(406,095)</b>	<b>378,764</b>
<b>Investing</b>		
Purchase of capital assets	-	(2,597)
<b>(Decrease) increase in cash resources</b>	<b>(406,095)</b>	<b>376,167</b>
<b>Cash resources, beginning of year</b>	<b>1,267,569</b>	<b>891,402</b>
<b>Cash resources, end of year</b>	<b>861,474</b>	<b>1,267,569</b>

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

# Saskatchewan Party Caucus Notes to the Financial Statements

For the year ended March 31, 2023

## 1. Organization and operations

A Caucus is defined by S.50 (1) (b) of the Legislative Assembly and Executive Council Act to mean a group of two or more Members who are elected to the Assembly and who belong to the same political party.

The Saskatchewan Party Caucus receives funding from the Legislative Assembly pursuant to various directives adopted by the Legislative Assembly's Board of Internal Economy.

In accordance with Board of Internal Economy Directive #23 - Caucus Accountability and Disclosure, the Caucus is required to submit annual audited financial statements as well as audited financial statements for the term of the 29th Legislature.

## 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

### **Capital assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Rate</b>
Computer equipment	30 %
Computer software	30 %
Office equipment	20 %

### **Deferred contributions related to information technology enhancements**

Grants related to information technology enhancements are deferred and amortized over the estimated useful life of the assets the grant monies were used to purchase.

### **Measurement uncertainty**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

### **Revenue recognition**

Revenue is recognized on the accrual basis when earned, and collection is assured.

### **Financial instruments**

At initial recognition, the Caucus may irrevocably elect to subsequently measure any financial instrument at fair value. The Caucus has not made such an election during the year.

All financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.



## Saskatchewan Party Caucus Notes to the Financial Statements

*For the year ended March 31, 2023*

### Financial asset impairment

The Caucus assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Caucus determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Caucus reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Caucus reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of excess in the year the reversal occurs.

### 3. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2023 Net book value</i>	<i>2022 Net book value</i>
Computer equipment	149,750	137,087	12,663	18,091
Computer software	32,569	32,447	122	174
Office equipment	21,779	20,299	1,480	1,850
	<b>204,098</b>	<b>189,833</b>	<b>14,265</b>	<b>20,115</b>

### 4. Accounts payable and accruals

In accordance with the Board of Internal Economy Directive #23 - Caucus Accountability and Disclosure, at year end, accounts payable and accrued liabilities include:

	<i>2023</i>	<i>2022</i>
Computer equipment	344	1,124
Audit	10,900	9,900
Consulting	2,120	5,492
Courier service	86	128
Memberships	1,606	1,664
Meals	900	-
Office supplies	109	441
Promotion	650	42,544
Telephone	343	556
Travel	-	126
Vacation payable	19,920	54,911
Water	-	218
	<b>36,978</b>	<b>117,104</b>

## Saskatchewan Party Caucus Notes to the Financial Statements

For the year ended March 31, 2023

### 5. Deferred contributions related to information technology enhancements

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of information technology enhancements. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. The information technology enhancement grant will be recognized over four years beginning in 2021. Changes in deferred capital contributions are as follows:

	2023	2022
Balance, beginning of year	24,000	36,000
Less: Amounts recognized as revenue during the year	(12,000)	(12,000)
Balance, end of year	12,000	24,000

### 6. Caucus surplus

Board of Internal Economy Directive #23 - Caucus Accountability and Disclosure provides that within six months following the polling date subsequent to the dissolution of each Legislature, all surplus funds determined pursuant to clause (5)(a) shall revert to the Crown. This provision only becomes a requirement if the Caucus ceases to exist as described in clause (7). Since the Caucus is still in existence at year end, no provision has been made in the accounts for this potential contingency during the year.

### 7. Financial instruments

The Caucus, as part of its operations, carries a number of financial instruments, which include cash, accounts payable and accruals. It is management's opinion that the Caucus is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **Liquidity risk**

Liquidity risk is the risk that the Caucus will encounter difficulty in meeting obligations associated with financial liabilities. The Caucus enters into transactions to purchase goods and services on credit for which repayment is required at various maturity dates. The Caucus monitors its cash balances and cash flows generated from funding to meet requirements. The Caucus manages the liquidity risk resulting from accounts payable by continuously monitoring forecast and actual cash flows.