

Status of Women Canada Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2010 and all information contained in these statements rests with the management of Status of Women Canada. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are based on Canadian generally accepted accounting principles for the public sector.

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 fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Status of Women Canada's financial transactions. Financial information submitted to the Public Accounts of Canada and included in the department'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 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 by 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 department.

The financial statements of Status of Women Canada have not been audited.

Suzanne Clément
Co-ordinator, Status of Women Canada
Ottawa, Canada

Johanne Tremblay
A/Chief Financial Officer

August 10, 2010

**Status of Women Canada
Statement of Financial Position (Unaudited)
As at March 31**

(in dollars)

| | <u>2010</u> | <u>2009</u> |
|---|------------------|-----------------------|
| | | Restated (Note 10) |
| Assets | | |
| Financial Assets | | |
| Due from Consolidated Revenue Fund | 3,518,252 | 2,724,214 |
| Accounts receivable and advances (Note 4) | 20,742 | 61,193 |
| Total financial assets | <u>3,538,994</u> | <u>2,785,407</u> |
| Non-financial assets | | |
| Tangible capital assets (Note 5) | 272,660 | 463,638 |
| Total non-financial assets | <u>272,660</u> | <u>463,638</u> |
| | <u>3,811,654</u> | <u>3,249,045</u> |
| Liabilities and Equity of Canada | | |
| Liabilities | | |
| Accounts payable and accrued liabilities (Note 6) | 3,674,401 | 2,795,954 |
| Vacation pay and compensatory leave | 375,648 | 393,553 |
| Employee future benefits (Note 7) | 1,302,801 | 1,528,421 |
| | <u>5,352,850</u> | <u>4,717,928</u> |
| Equity of Canada | (1,541,196) | (1,468,883) |
| | <u>3,811,654</u> | <u>3,249,045</u> |

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

Suzanne Clément
Co-ordinator
Ottawa, Canada

Johanne Tremblay
A/Chief Financial Officer

August 10, 2010

**Status of Women Canada
Statement of Operations (Unaudited)
For the Year Ended March 31**

(in dollars)

| | <u>2010</u> | <u>2009</u> |
|---|--------------------------|--------------------------|
| | | Restated (Note 11) |
| Expenses | | |
| Women's participation in Canadian society | 23,576,597 | 25,518,657 |
| Strategic policy analysis, planning and development | 1,731,692 | 1,617,891 |
| Internal Services | 7,587,001 | 6,681,715 |
| Total Expenses | <u>32,895,290</u> | <u>33,818,263</u> |
| Revenues | | |
| Internal Services | <u>-</u> | <u>145</u> |
| Total Revenues | <u>-</u> | <u>145</u> |
| Net Cost of Operations | <u><u>32,895,290</u></u> | <u><u>33,818,118</u></u> |

Segmented information (note 9)

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

**Status of Women Canada
Statement of Equity of Canada (unaudited)
For the Year Ended March 31**

(in dollars)

| | <u>2010</u> | <u>2009</u> |
|---|------------------------|-----------------------|
| | | Restated (Note 10) |
| Equity of Canada, beginning of year | (1,468,883) | (1,571,376) |
| Net cost of operations | (32,895,290) | (33,818,118) |
| Net cash provided by Government | 30,593,298 | 31,475,956 |
| Change in due from Consolidated Revenue Fund | 794,038 | 971,677 |
| Services provided without charge by other government departments (Note 8) | 1,435,641 | 1,472,978 |
| Equity of Canada, end of year | (1,541,196) | (1,468,883) |

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

Status of Women Canada
Statement of Cash Flows (Unaudited)
For the year Ended March 31
(in dollars)

| | <u>2010</u> | <u>2009</u> |
|---|---------------------|--------------|
| Operating activities | | |
| Net Cost of Operations | 32,895,290 | 33,818,118 |
| Non-cash items: | | |
| Amortization of tangible capital assets | (95,897) | (91,253) |
| Disposal, adjustment and write-off of Capital Assets | (231,640) | - |
| Services provided without charge by other government departments (Note 8) | (1,435,641) | (1,472,978) |
| Variations in Statement of Financial Position: | | |
| Increase in liabilities | (634,922) | (815,744) |
| Increase in prepaid expenses | - | (499) |
| Decrease in accounts receivable and advances | (40,451) | (37,086) |
| Cash used in operating activities | 30,456,739 | 31,400,558 |
| Capital investing activities | | |
| Acquisitions of tangible capital assets (Note 5) | 136,559 | 75,398 |
| Cash used in capital investing activities | 136,559 | 75,398 |
| | | |
| Net cash provided by Government of Canada | (30,593,298) | (31,475,956) |

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

Status of Women Canada

Notes to the Financial Statements (unaudited)

For the Year Ended March 31

1. Authority and Objectives

Status of Women Canada (SWC) was established by the Government of Canada in 1976 to "co-ordinate policy with respect to the status of women and administer related program" (Order in Council 1976-779). The mandate of SWC is further guided by the *Canadian Charter of Rights and Freedoms*, as well as by Canada's adherence to the *Convention on the Elimination of all Forms of Discrimination against Women*. SWC plays a key role in fulfilling the Government of Canada's commitment to building a society that is inclusive and respectful of all Canadians by promoting equality and the full participation of women in Canada.

Strategic Outcome: Equality for women and their full participation in the economic, social, and democratic life of Canada. To achieve real progress on gender equality, SWC is firmly committed to consulting and acting in partnership with non-government organizations, provincial and territorial governments, the private and voluntary sectors and international organizations.

Program Activities

- ✓ *Women's Participation in Canadian Society:* This activity strengthens women's full participation by addressing their economic and social situations and their participation in democratic life through financial and professional assistance for projects and through strategic partnerships that leverage resources involving public institutions and non-governmental organizations.
- ✓ *Strategic Policy Analysis, Planning and Development:* SWC develops strategic policy analysis, advice, and tools to support federal departments and central agencies in identification of policy priorities and in integrating gender-based analysis in existing and proposed policies, programs and initiatives. This is done through collaboration with other federal departments, provincial-territorial governments, civil society, and key international partners.
- ✓ *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. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

2. Summary of Significant accounting policies

These financial statements have been prepared in accordance with the Treasury Board accounting policies stated below, which 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 department is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to the department 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 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 department operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the department 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) *Amounts due from/to the Consolidated Revenue Fund*

Amounts due from/to the Consolidated Revenue Fund (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 Department is entitled to draw from the CRF without further appropriations to discharge its liabilities.

(d) *Revenues*

Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

(e) *Expenses*

Expenses are recorded on the accrual basis:

- ✓ Grants are recognized in the year in which the conditions for payment are met. In the case of grants which do not form part of an existing program, the expense is recognized when the Government announces a decision to make a non-recurring transfer, provided the enabling legislation or authorization for payment receives parliamentary approval prior to the completion of the financial statements.
- ✓ Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement, provided that the transfer is authorized and a reasonable estimate can be made.
- ✓ Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment.
- ✓ Services provided without charge by other government departments for accommodation, employer contributions to the health and dental insurance plans and legal services 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 plan administered by the Government. The department's contributions to the Plan are charged to expenses in the year incurred and represent the total obligation to the Plan. Current legislation does not require the department 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.

(g) Accounts receivable

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

(h) Tangible capital assets

All tangible capital assets and leasehold improvements having an initial cost of \$2,500 or more are recorded at their acquisition cost. The department 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 capital assets is done on a straight-line basis over the estimated useful life of the capital asset as follows:

| Asset Class | Acquisition Cost equal or greater than | Amortization Period |
|--|---|--------------------------------|
| Machinery and equipment | \$2,500 | 3-5 years |
| Informatics hardware | \$2,500 | 3-5 years |
| Informatics purchased and developed software | \$2,500 | 3-5 years |
| Motor Vehicles | \$10,000 | 7 years |
| Other equipment, including furniture | \$2,500 | 3-5 years |

(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 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 Authorities

The department receives most of its funding through annual Parliamentary authorities. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary authorities in prior, current or future years. Accordingly, the department 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:

| | 2010 | 2009 |
|--|--------------------|--------------------|
| | (in dollars) | |
| Net Cost of Operations | 32,895,290 | 33,818,118 |
| <i>Adjustments for items affecting net cost of operations but not affecting authorities:</i> | | |
| <i>Add (Less):</i> | | |
| Services provided without charge by other government departments | (1,435,641) | (1,472,978) |
| Employee severance benefits | 225,620 | 20,555 |
| Amortization of tangible capital assets | (95,897) | (91,253) |
| Reversal/adjustments of previous year expenditures | 80,695 | 16,575 |
| Disposal, adjustment and write-off of Capital Assets | (231,640) | - |
| Allowance for vacation and compensatory leave | 17,906 | 104,810 |
| Revenue not available for spending | 14 | 145 |
| Other | - | 2 |
| | (1,438,943) | (1,422,144) |
| <i>Adjustments for items not affecting net cost of operations but affecting authorities:</i> | | |
| Acquisitions of tangible capital assets | 136,559 | 75,398 |
| Asset transferred from other government department | (24,476) | - |
| Variation in advances | - | (2,423) |
| Variation in prepaid expenses | - | (499) |
| | 112,083 | 72,476 |
| Current year authorities used | 31,568,430 | 32,468,450 |

(b) Authorities provided and used:

| | 2010 | 2009 |
|--|-------------------|-------------------|
| | (in dollars) | |
| Operating expenditures - Vote 85 (Vote 100 in 2009) | 10,345,744 | 9,917,854 |
| Grants and Contributions - Vote 90 (Vote 105 in 2009) | 20,633,000 | 25,150,000 |
| Statutory amounts | 1,271,153 | 1,028,354 |
| Less: | | |
| Lapsed Appropriations | 681,467 | 3,627,758 |
| Current year authorities used | 31,568,430 | 32,468,450 |

4. Accounts receivable and advances

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

| | 2010 | 2009 |
|--|---------------|---------------|
| | (in dollars) | |
| Receivables from other government departments and agencies | 18,609 | 56,004 |
| Receivables from external parties | 733 | 3,789 |
| Employee advances | 1,400 | 1,400 |
| | 20,742 | 61,193 |

5. Tangible capital assets

Cost

(in dollars)

| | Opening Balance | Acquisitions | Disposals, adjustments and write-offs | Closing Balance |
|--|-----------------|--------------|---|-----------------|
| Machinery and equipment | 43,769 | - | (16,152) | 27,617 |
| Informatics hardware | 1,120,283 | 67,727 | (638,322) | 549,688 |
| Informatics purchased and developed software | 387,805 | 11,186 | (252,218) | 146,773 |
| Motor vehicles | - | 24,476 | - | 24,476 |
| Other equipment, including furniture | 377,665 | 33,170 | (146,478) | 264,357 |
| | 1,929,522 | 136,559 | (1,053,170) | 1,012,911 |

Accumulated amortization

(in dollars)

| | Opening Balance | Amortization | Disposals, adjustments and write-offs | Closing Balance |
|--|-----------------|--------------|---|-----------------|
| Machinery and equipment | 31,086 | 6,032 | (15,533) | 21,585 |
| Informatics hardware | 864,529 | 38,809 | (455,098) | 448,240 |
| Informatics purchased and developed software | 237,372 | 18,147 | (148,706) | 106,813 |
| Motor vehicles | - | 4,662 | - | 4,662 |
| Other equipment, including furniture | 332,897 | 28,247 | (202,193) | 158,951 |
| | 1,465,884 | 95,897 | (821,530) | 740,251 |

Net Book Value

(in dollars)

| | 2010 | 2009 |
|--|----------------|----------------|
| Machinery and equipment | 6,032 | 12,683 |
| Informatics hardware | 101,448 | 255,754 |
| Informatics purchased and developed software | 39,960 | 150,433 |
| Motor vehicles | 19,814 | - |
| Other equipment, including furniture | 105,406 | 44,768 |
| Net Book Value | 272,660 | 463,638 |

6. Accounts payable and accrued liabilities

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

| | 2010 | 2009 |
|---|------------------|-----------|
| | (in dollars) | |
| Accounts payable to other government departments and agencies | 197,739 | 119,568 |
| Accounts payable to external parties | 1,531,671 | 1,144,012 |
| | 1,729,410 | 1,263,580 |
| Accrued liabilities | 1,944,991 | 1,532,374 |
| | 3,674,401 | 2,795,954 |

7. Employee future benefits

(a) Pension benefits

The department'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/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the department contribute to the cost of the Plan. The 2009-10 expense amounts to \$916,240 (\$742,471 in 2008-09) which represents approximately 1.9 times (2.0 in 2008-09) the contributions by employees.

The department'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 department 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, measured as at March 31, is as follows:

| | 2010 | 2009 |
|--|------------------|-----------|
| | (in dollars) | |
| Accrued benefit obligation, beginning of year | 1,528,421 | 1,548,977 |
| Expense for the year | 133,476 | 273,497 |
| Benefits paid during the year | (359,096) | (294,053) |
| Accrued benefit obligation, end of year | 1,302,801 | 1,528,421 |

8. Related party transactions

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

| | 2010 | 2009 |
|--|------------------|------------------|
| | | (in dollars) |
| Accommodation | 787,492 | 844,515 |
| Employer's contribution to the health and dental insurance plans | 645,797 | 628,463 |
| Legal services | 2,352 | - |
| Total | 1,435,641 | 1,472,978 |

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 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 Department's Statement of Operations.

9. Segmented information

Presentation by segment is based on the Department's program activity 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 program activities, by major object of expenses and by major type of revenues. The segment results for the period are as follows:

| | | | | 2010 | 2009 |
|--|--|---|----------------------|-------------------|-------------|
| | | | | (in dollars) | |
| | Women's Participation in Canadian Society | Strategic Policy Analysis, Planning and Development | Internal Services | Total | Total |
| Transfer payments | | | | | |
| Payments to Provincial non-profit organizations | 16,157,354 | - | - | 16,157,354 | 17,262,330 |
| Payments to national organizations | 4,314,470 | - | - | 4,314,470 | 4,761,867 |
| Total transfer payments | 20,471,824 | - | - | 20,471,824 | 22,024,197 |
| Operating expenses | | | | | |
| Salaries and employee benefits | 2,337,295 | 1,328,762 | 5,604,202 | 9,270,259 | 8,924,430 |
| Professional and special services | 318,141 | 135,237 | 562,949 | 1,016,327 | 977,386 |
| Accommodation | 202,865 | 115,330 | 469,297 | 787,492 | 844,515 |
| Travel and relocation | 90,046 | 78,919 | 214,576 | 383,541 | 451,089 |
| Disposal, adjustment and write-off of Capital Assets | - | - | 231,640 | 231,640 | - |
| Communication | 83,261 | 24,071 | 83,090 | 190,422 | 181,667 |
| Information | 10,227 | 8,581 | 131,082 | 149,890 | 101,885 |
| Equipment | 27,150 | 21,442 | 93,134 | 141,726 | 77,369 |
| Amortization of tangible capital assets | - | - | 95,897 | 95,897 | 91,253 |
| Rentals | 19,778 | 8,695 | 32,578 | 61,051 | 46,007 |
| Repairs | 15,864 | 5,307 | 30,796 | 51,968 | 43,221 |
| Utilities, material and supplies | - | 5,334 | 37,450 | 42,784 | 52,931 |
| Miscellaneous | 146 | 14 | 310 | 470 | 2,313 |
| Total operating expenses | 3,104,773 | 1,731,692 | 7,587,001 | 12,423,466 | 11,794,066 |
| Total expenses | 23,576,597 | 1,731,692 | 7,587,001 | 32,895,290 | 33,818,263 |
| Revenues | | | | | |
| Gain (loss) on disposal of tangible capital assets | - | - | - | - | 145 |
| Net cost from continuing operations | 23,576,597 | 1,731,692 | 7,587,001 | 32,895,290 | 33,818,118 |

10. Adoption of new accounting policies

During the year, the Department adopted the revised Treasury Board accounting policy TBAS 1.2: Departmental and Agency Financial Statements which is effective for the Department for the 2009-10 fiscal year. The major change in the accounting policies of the Department required by the adoption of the revised TBAS 1.2 is the recording of amounts due from the Consolidated Revenue Fund as an asset on the Statement of Financial Position.

The adoption of the new Treasury Board accounting policies have been accounted for retroactively with the following impact on comparatives for 2008-2009:

| | 2009 | | 2009 |
|---------------------------------------|----------------------------|--|-------------|
| | As previously stated | Effect of changes from the new TBAS 1.2 (in dollars) | Restated |
| Statement of Financial Position: | | | |
| Assets | 524,831 | 2,724,214 | 3,249,045 |
| Equity of Canada (Restated - Note 12) | (4,193,097) | 2,724,214 | (1,468,883) |

11. Comparative Information

Comparative figures have been reclassified to conform to the current year's presentation.

12. Restatement of prior year figures

The results of the Statement of Equity of Canada for the year ended March 31, 2009 have been restated to reflect the correction of an error with respect to the inclusion of the item 'Reversal/adjustments of previous year expenditures'. The final figure should have been \$4,193,097 and not \$4,176,521.